Department to cooperate with the States in the collection of State cigarette and tobacco taxes; to the Committee on the Post Office and Post Roads.

3598. Also, petition of the City Council of the city of Hillsboro, Tex., opposing reduction of funds for Federal highways; to the Committee on Roads.

3599. By Mr. KEOGH: Petition of the Merchants' Association of New York, concerning the Norris bill (S. 2555) and the Mansfield bill (H. R. 7365) for the establishment of regional authorities; to the Committee on Rivers and Harbors.

3600. By Mr. MEAD: Petition of 66 Buffalo, N. Y., citizens, urging favorable action on the Capper-Culkin bill to prohibit the advertising of liquor by radio; to the Committee on Interstate and Foreign Commerce.

3601. By Mr. PFEIFER: Petition of the Merchants' Association of New York, concerning the Norris bill (S. 2555) and the Mansfield bill (H. R. 7365); to the Committee on Rivers and Harbors.

3602. By Mr. SHANLEY: Petition of the citizens of Waterbury in condemnation of the growth of Nazi activities in the United States; to the Committee on the Judiciary.

3603. By the SPEAKER: Petition of the Michigan Good Roads Federation, regarding the rejection of any efforts to curtail Federal appropriations for highway development; to the Committee on Roads.

3604. Also, petition of the Industrial Union of Marine and Shipbuilding Workers of America, Local No. 18, Mobile, Ala.; to the Committee on Labor.

SENATE

TUESDAY, DECEMBER 14, 1937

(Legislative day of Tuesday, November 16, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

MESSAGES FROM THE PRESIDENT

Messages in writing from the President of the United States were communicated to the Senate by Mr. Latta, one of his secretaries.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Monday, December 13, 1937, was dispensed with, and the Journal was approved.

CALL OF THE ROLL

Mr. MINTON. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Copeland	King	Pope
Andrews	Davis	La Follette	Radcliffe
Ashurst	Dieterich	Lee	Reynolds
Austin	Donahey	Lodge	Russell
Bailey	Duffy	Logan	Schwartz
Bankhead	Ellender	Lonergan	Schwellenbach
Barkley	Frazier	Lundeen	Sheppard
Berry	George	McAdoo	Shipstead
Bilbo	Gibson	McCarran	Smathers
Bone	Gillette	McGill	Smith
Borah	Glass	McKellar	Steiwer
Bridges	Graves	McNary	Thomas, Okla.
Brown, Mich.	Green	Maloney	Thomas, Utah
Brown, N. H.	Guffey	Miller	Townsend
Bulkley	Hale	Minton	Truman
Bulow	Harrison	Moore	Tydings
Burke	Hatch	Murray	Vandenberg
Byrd	Hayden	Neely	Van Nuys
Byrnes	Herring	Norris	Wagner
Capper	Hitchcock	O'Mahoney	Walsh
Caraway	Holt	Overton	Wheeler
Chavez	Johnson, Calif.	Pepper	White
Connally	Johnson, Colo.	Pittman	

Mr. MINTON. I announce that the Senator from Delaware [Mr. HUGHES] is detained from the Senate because of illness.

The Senator from Missouri [Mr. CLARK] and the Senator from Illinois [Mr. LEWIS] are detained on important public business.

The VICE PRESIDENT. Ninety-one Senators having answered to their names, a quorum is present.

REPORT OF FEDERAL FIRE COUNCIL

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying report, referred to the Committee on Public Buildings and Grounds, as follows:

To the Congress of the United States:

I transmit herewith for the information of the Congress, the first annual report of the Federal Fire Council.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *December 13, 1937.*

ORDINANCES OF PUBLIC SERVICE COMMISSION OF PUERTO RICO

The VICE PRESIDENT laid before the Senate a message from the President of the United States, which was read, and, with the accompanying papers, referred to the Committee on Territories and Insular Affairs, as follows:

To the Congress of the United States:

As required by section 38 of the act of Congress, approved March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes," I have the honor to transmit herewith certified copies of each of five ordinances adopted by the Public Service Commission of Puerto Rico. The ordinances are described in the accompanying letter from the Secretary of the Interior forwarding them to me.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *December 13, 1937.*

LIMITATION OF FUNDS FOR FEDERAL-AID HIGHWAYS

The VICE PRESIDENT laid before the Senate a letter from the Secretary of Agriculture, transmitting a draft of proposed legislation to amend the Federal Aid Highway Act, approved July 11, 1916, as amended and supplemented, and for other purposes, which, with the accompanying paper, was referred to the Committee on Post Offices and Post Roads.

PETITIONS AND MEMORIALS

The VICE PRESIDENT laid before the Senate a resolution adoted by the Santa Barbara County (Calif.) Chamber of Commerce, favoring the prompt enactment of the bill (H. R. 7558) to extend the mining laws of the United States to the Joshua Tree National Monument in California, which was referred to the Committee on Public Lands and Surveys.

Mr. SHEPPARD presented a memorial of 86 citizens and seamen of Houston, Tex., remonstrating against the enactment of the bill (S. 3078) to amend the Merchant Marine Act, 1936, and for other purposes, and protesting against the proposal to place maritime employees within the jurisdiction of the National Mediation Board in case of dispute, which was referred to the Committee on Commerce.

Mr. COPELAND presented a resolution adopted by Chenango County (N. Y.) Pomona Grange, Patrons of Husbandry, protesting against the enactment of the so-called Black-Connery wage and hour bill, or similar legislation, which was ordered to lie on the table.

He also presented resolutions adopted by Oatka Falls Grange, No. 394, of Le Roy, and Broome County Pomona Grange, both of the Patrons of Husbandry, in the State of New York, protesting against the enactment of pending crop-control legislation, which were ordered to lie on the table.

He also presented a memorial of sundry citizens of Lewis and Oneida Counties, N. Y., remonstrating against the enactment of crop-control legislation, which was ordered to lie on the table.

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. WHEELER:

A bill (S. 3132) granting to certain needy persons the right to obtain fuel from lands of the agricultural experiment station near Miles City, Mont.; to the Committee on Agriculture and Forestry.

AUTHENTICATED U.S. GOVERNMENT INFORMATION GPO

By Mr. BONE:

A bill (S. 3133) for the relief of Kettle Falls School District No. 154; to the Committee on Claims.

By Mr. ASHURST (by request):

A bill (S. 3134) to make the provisions of the Employees' Compensation Act applicable to civil officers of the United States; to the Committee on the Judiciary.

By Mr. KING:

A bill (S. 3135) to amend an act entitled "An act to confer authority on the Court of Claims to hear and determine the claim of Lester P. Barlow against the United States"; to the Committee on Claims.

By Mr. SHEPPARD:

A bill (S. 3136) for the relief of the officers of the Russian Railway Service Corps organized by the War Department under authority of the President of the United States for service during the war with Germany; to the Committee on Military Affairs.

INDEFINITE POSTPONEMENT OF A BILL

On motion by Mr. McNARY, it was

Ordered, That the Committee on Military Affairs be discharged from the further consideration of the bill (S. 3127) to aid in providing a permanent mooring for the battleship *Oregon*, and the bill was indefinitely postponed.

AGRICULTURAL RELIEF—AMENDMENTS

Mr. BONE and Mr. RUSSELL each submitted an amendment, and Mr. BANKHEAD submitted three amendments, intended to be proposed by them, respectively, to the bill (S. 2787) to provide an adequate and balanced flow of the major agricultural commodities in interstate and foreign commerce, and for other purposes, which were severally ordered to lie on the table and to be printed.

Mr. O'MAHONEY submitted four amendments intended to be proposed by him to the amendment intended to be proposed by Mr. POPE to Senate bill 2787, the agricultural relief bill, which were ordered to lie on the table and to be printed.

THE PROBLEM OF SEAGOING PERSONNEL AND ITS POSSIBLE SOLUTION—ADDRESS BY JOSEPH B. WEAVER

[Mr. COPELAND asked and obtained leave to have published in the RECORD an address made by Joseph B. Weaver before the Propeller Club Convention at Memphis, Tenn., on October 12, 1937, on the subject of The Problem of Seagoing Personnel and Its Possible Solution, which appears in the Appendix.]

THE ROMANCE OF ALABAMA HISTORY—STATEMENT BY THOMAS M. OWEN, JR.

[Mr. BANKHEAD asked and obtained leave to have printed in the RECORD a statement entitled "The Romance of Alabama History," by Thomas M. Owen, Jr., which appears in the Appendix.]

DOPED MONEY—ADDRESS BY SENATOR BRIDGES

[Mr. JOHNSON of California asked and obtained leave to have published in the RECORD a radio address by Senator BRIDGES entitled "Doped Money," delivered on December 11, 1937, which appears in the Appendix.]

MR. MADDEN'S DEFENSE—EDITORIAL IN PITTSBURGH PRESS

[Mr. BURKE asked and obtained leave to have printed in the RECORD an editorial entitled "Mr. Madden's Defense," published in the Pittsburgh Press of Monday, December 13, 1937, which appears in the Appendix.]

THE PRESENT BUSINESS SITUATION

[Mr. REYNOLDS asked and obtained leave to have printed in the RECORD an article published in the Charlotte (N. C.) Observer of December 12, 1937, entitled "Drive Against New Deal Seen," which appears in the Appendix.]

RECIPROCITY INFORMATION

[Mr. BARKLEY asked and obtained leave to have printed in the RECORD a memorandum issued by the Committee for Reciprocity Information, containing suggestions as to method and character of representations to the Committee for Reciprocity Information, which appears in the Appendix.]

THE GRAND COULEE DAM—ADDRESS BY SECRETARY ICKES

[Mr. BONE asked and obtained leave to have printed in the RECORD an address by the Secretary of the Interior, Hon. Harold L. Ickes, on the occasion of the opening of bids for the completion of Grand Coulee Dam, Wash., which appears in the Appendix.]

ADDRESS BY JESSE H. JONES BEFORE NEW YORK SOUTHERN SOCIETY

[Mr. MINTON asked and obtained leave to have printed in the RECORD an address by Jesse H. Jones at the fifty-second annual dinner of the New York Southern Society, on Friday evening, December 3, 1937, which appears in the Appendix.]

A PROPHETIC UTTERANCE BY ELIHU ROOT—EDITORIAL BY DAVID LAWRENCE

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an editorial by David Lawrence entitled "A Prophetic Utterance by Elihu Root," published in the United States News of December 13, 1937, which appears in the Appendix.]

THE SINKING OF THE U. S. GUNBOAT "PANAY"

[Mr. BONE asked and obtained leave to have printed in the RECORD an editorial entitled "Children Playing on the Madhouse Lawn," published in the Philadelphia Record of December 14, 1937, which appears in the Appendix.]

OPERATIONS OF NATIONAL LABOR RELATIONS BOARD—ADDRESS OF CHARLES FAHY

[Mr. WAGNER asked and obtained leave to have printed in the RECORD an address by Charles Fahy, General Counsel of the National Labor Relations Board, delivered in New York, on December 9, 1937, which appears in the Appendix.]

POWER DEVELOPMENT ON YADKIN RIVER, N. C.

Mr. MINTON. Mr. President, in the course of his remarks on November 17 on the antilynching bill, the distinguished senior Senator from North Carolina [Mr. BAILEY] made reference to what he conceived to be some of the ills of the Nation, and perhaps some of the things that aggravated the situation, or contributed thereto. Among those things referred to by the Senator was the proposed development of a power project in North Carolina on the Yadkin River.

From what the Senator said, and from reading the RECORD thereafter, I received the impression that it was his complaint that the Federal Government was intruding itself into the picture, and thereby had prevented the development by private institutions of this power project.

As the Senator was not discussing that particular thing at the time, but was rather addressing himself to the antilynching bill, I am sure he did not give as careful consideration to his remarks and the accuracy thereof as he ordinarily would have done, because as I say, I received the impression, and I think a reading of the RECORD will give the impression, that the Federal Government was intruding in that situation, and that Mr. McNinch, as Chairman of the Federal Power Commission, had voluntarily assumed some jurisdiction which probably he was not authorized to assume.

I am in possession of the opinion of the Commission in that case; and from a reading of it I find that the jurisdiction of the Federal Power Commission was invoked by the private corporation itself—that is to say, the Carolina Aluminum Co.—in an application which it made for a license to construct a dam upon this stream, the Yadkin River, and that in assuming jurisdiction the Federal Power Commission was not proceeding under any law of this administration or under any jurisdiction assumed by the Federal Power Commission, but was proceeding under the Power Act of 1920, and what it conceived to be the law laid down by the Supreme Court of the United States, as will more fully appear in the opinion itself.

In order that that erroneous impression, as I conceive it to be, may be corrected in the RECORD, I ask unanimous consent that there may be inserted in the RECORD immediately following my remarks the opinion of the Commission in this case.

The PRESIDENT pro tempore. Without objection, it is so ordered.

The opinion is as follows:

In the matter of declaration of intention, Carolina Aluminum Co. Docket No. DI–135

By the Commission:

Pursuant to the terms of section 23 (b) of the Federal Power Act, there was filed on June 7, 1937, by Carolina Aluminum Co., a corporation organized and operating in the State of North Carolina, a declaration of its intention to construct a hydroelectric power development on the Yadkin River near Tuckertown, N. C., 79 miles upstream from Cheraw, S. C.

Declarant proposes to construct a dam approximately 1,320 feet in length and 93 feet in height, and a reservoir with capacity to store 23,000 acre-feet of water and when full with a surface area of 3,032 acres. The powerhouse is to have two units with a total of approximately 50,000 k. v. a. capacity, to operate under a head varying from 48 feet to 59 feet with normal operating head of 55 feet. The turbines will have a hydraulic capacity to discharge about 9,600 cubic feet of water per second under normal head.

Five existing power dams develop the larger part of the fall in the Yadkin River between Salisbury and Cheraw. The total available storage capacity of these five reservoirs amounts to 509,400 acre-feet, to which the Tuckertown Reservoir would add 23,000 acre-feet.

CHRONOLOGY OF PROCEEDING

A preliminary investigation of the situation presented by this declaration of intention led the Commission to set the matter down for public hearing on July 23 before an examiner who required briefs to be submitted and at the request of declarant's counsel fixed September 15 for the filing thereof. Prior to that date the State of North Carolina evinced an interest in the subject matter of the proceeding and informed the Commission that its department of conservation and development had important information bearing upon the Tuckertown development.

Upon its own motion the Commission reopened the hearing, and in order to expedite the proceeding set the hearing date as September 13, at which time the representatives of the States of North Carolina and South Carolina and other parties, as set forth above, entered their appearances. Briefs were filed on September 15, by counsel for the declarant, by the attorney general and assistant attorney general for the North Carolina Department of Conservation and Development and by Commission's counsel. The chief engineer of the North Carolina Department of Conservation and Development appeared as a witness on behalf of the State of North Carolina. No witnesses were presented by any parties from South Carolina, although the attorney general of South Carolina made a statement at the hearing. Communications were received from the Governors of both North and South Carolina. The declarant presented only one witness, James P. Growden, assistant chief hydraulic engineer of the Aluminum Co. of America.

CONTENTIONS OF DECLARANT

The declarant contends: (1) The Tuckertown project involved in the proceeding is not located in navigable waters of the United States; (2) if any portion of the Yadkin-Peedee River may be considered as navigable water of the United States, it would be solely that downstream portion located wholly within the State of South Carolina below Jeffreys Creek or possibly below Cheraw; (3) the record shows the Tuckertown project will have no measurable or real effect on navigability at any point on the river; (4) the provisions of section 23 (b) are not applicable to headwater developments but only apply to projects where the stream is navigable in law; and (5) the construction and operation of the Tuckertown project will have no effect on the interests of interstate or foreign commerce.

POSITION OF NORTH CAROLINA

The State of North Carolina contends in the brief filed on behalf of the department of conservation and development that the Federal Power Commission is without jurisdiction over this development for the following reasons: (a) The Yadkin River is not now and never has been navigable in the Tuckertown reach, and all efforts to make it so have been ineffectual and have been abandoned for over 50 years; (b) the Peedee River, or the portion of the river below Uharie River is not and never has been navigable in North Carolina; (c) while the Peedee River is nominally regarded as navigable from its mouth to Cheraw, S. C. (79 miles below Tuckertown), as a matter of fact there is no navigation on the river because (1) of shoals, bars, and snags below that point, (2) there is no demand for such facilities of navigation, and (3) the development of other means of transportation (rail and highway) has rendered such navigation obsolete and uneconomical; (d) the Tuckertown project would not change the navigable capacity of the river at Cheraw or anywhere else; (e) if the Commission should find the proposed Tuckertown project to be subject to a Federal license, such an assertion of jurisdiction would constitute an invasion of the right of the State to control streams within its boundaries; and (f) by reason of the purchase of land and riparian rights by the Carolina Aluminum Co. necessary for the construction of the Tuckertown project "under the rights set forth in the franchises granted [it] by the State of North Carolina and in every respect in accordance with the laws of the Commonwealth," the State has a large interest at stake in this matter and "the Federal Power Commission does not have jurisdiction over this site and that project."

POSITION OF SOUTH CAROLINA

On the other hand, the attorney general of South Carolina gave official expression to the position of his State, which is substantially that if the State of North Carolina or power developers on streams in the upper State are permitted to place a series of small dams and reservoirs on any stream flowing from North Carolina into South Carolina, and each one of the small dams and reservoirs is found to be of inconsequential size and effect and subject only to the jurisdiction of North Carolina, as claimed by the State of North Carolina, then the State of South Carolina might find the flow of such stream completely regulated by such upstream power developers. The attorney general stated that substantial investments had been made in the pulpwood industry with a view to using the navigable capacity of the Peedee River in connection with manufacturing operations. He contended that these and other industrial and commercial interests of South Carolina would, if the Power Commission did not take jurisdiction, be left to the mercy of private interests, who would thus control the flow of the river and its navigable capacity in disregard of the interests of South Carolina citizens who use such stream.

STATUTORY RESPONSIBILITY OF THE COMMISSION

Section 23 (b) provides that any person intending to construct a dam across a nonnavigable stream over which Congress has jurisdiction under the commerce clause shall before construction file a declaration of his intention, and if, after investigation, the Commission shall find that the interests of interstate or foreign commerce would be affected by the proposed construction, such person shall not proceed without a license under the Power Act.[1]

Declarant takes the position that section 23 (b) applies only to locations where the stream is navigable. It takes this position in the face of the express provision in this section excluding from the operation of the section all streams or parts thereof "defined in this act as navigable waters." Judge Way, in the first New River suit (4 F. Supp. 6), disposed of a similar contention by interpreting the language of this paragraph "to have reference to the construction of a dam or other project works in a stream not declared navigable by the act, but the obstructing of which would affect the navigable capacity of a navigable stream of which such nonnavigable stream is tributary, and thereby affect the 'interests of interstate or foreign commerce' " (p. 16). The Supreme Court referred to this provision as permitting the filing of a declaration of intention to construct a power development "in a stream not declared navigable" (*New Jersey* v. *Sargent*, 269 U. S. 328, 336).

If the stream here involved, the Yadkin-Peedee River, is within the class mentioned in section 23 (b), the Commission has the statutory duty of determining whether the proposed construction of the Tuckertown project will affect the interests of interstate or foreign commerce. That the Commission has in the past carefully and impartially investigated the matter of its own jurisdiction in cases like the present is indicated by the fact that out of 136 cases filed under section 23 since that provision became law in 1920, it found in 69 instances that the interests of interstate or foreign commerce would not be affected by the developments therein proposed.[2]

In reaching its determination upon the question of what interests of interstate or foreign commerce may be affected by the proposed Tuckertown power project, the Commission must be guided in part by those statutory expressions of congressional concern over acts which relate to navigable waters of the United States. The various river and harbor acts containing language of general application with respect to interference with navigation or navigable capacity furnish some—but not all—of the criteria to be applied by the Commission to the facts disclosed in its investigation of the proposed Tuckertown project. Statements by the Supreme Court in water diversion and similar cases involving those statutes furnish an index of the judicial interpretation of the Federal interests which are the proper subject of administrative regulation and control.

For example, section 10 of the act of March 3, 1899 (30 Stat. 1150, 33 U. S. C.,§ 403), requires the affirmative consent of Congress to create any obstruction to the navigable waters of the United States and makes it unlawful in any manner to alter or modify the course, location, condition, or capacity of the channel of any navigable water of the United States, unless the work has been recommended by the Chief of Engineers and authorized by the Secretary of War prior to beginning the same.

In addition the Commission knows from the many cases coming before it involving the effect of power projects upon lower navigable waters that river vessels are loaded for the expected depth of channel whether such channel depth be the bare minimum provided by the Army engineers under congressional authorization or a deeper channel reasonably to be expected from the greater rain-

[1] Prior to the amendment of August 26, 1935, the filing of a declaration of intention under sec. 23 of the Federal Water Power Act was optional with a power developer on a nonnavigable tributary.

[2] Several of the declarations of intention filed since 1920 involved more than one dam, calling for Commission determination as to each dam, although treated as but one case for statistical purposes. Other jurisdictional determinations of a similar nature have been made by the Commission in considering applications for license, so that the above figures do not show all of the instances in which the Commission found that a proposed power development would not be subject to Federal jurisdiction under the Federal Power Act.

fall prevailing a large part of each year. Under ordinary river navigation practice if a 5-foot channel depth would reasonably be anticipated in a river with a 3.5-foot minimum channel in the season of the year when ample rainfall provides sufficient flow, vessels are commonly loaded so as to utilize all of such expected additional depth. Any irregular interference with this increased depth would cause either a lightening of the load to use less draft or the navigator would run the risk of grounding his vessel when the flow decreased below that required to maintain the expected stage. Such loss of tonnage or uncertainty in operation may as effectively discourage navigation use of a stream as if the river were physically obstructed by a dam.

If the Commission should find that the flow of the Yadkin River passing Tuckertown would be so subject to control by the Carolina Aluminum Co. through construction and operation of the proposed power development as to affect the interests of interstate commerce below, the private interests of the Aluminum Co. must yield to the paramount right of the general public in the preservation of the lower navigable capacity through the Federal license requirements which are provided by law.

The contentions made by the State of North Carolina under points (e) and (f) appear to be sufficiently answered by the fact that the Federal Power Act prescribes the imposition of a license upon any upstream power developer whose proposed construction is found by the Commission to affect the interests of interstate or foreign commerce, and it is immaterial, so far as the statute is concerned, whether the upstream project is located within or outside of the State in which the stream is navigable. Since the requirement of a license under such circumstances is imposed by statute, the Commission is without power to waive the license requirement upon the request of a State.

The plea of the State of South Carolina strikingly illustrates the situation which led to the enactment of section 23 of the Power Act, for in the absence of the administrative control which may be exercised by the Commission under appropriate circumstances there would be no effective regulation upon which the State of South Carolina could rely for the protection of its interests.

Long before the enactment of the Federal Water Power Act in 1920 imposing this Commission's jurisdiction over projects on nonnavigable streams that affect the interests of interstate or foreign commerce, Congress had asserted its power over nonnavigable streams and the Supreme Court of the United States had upheld such jurisdiction. Indeed, the decision of the Court in the case of *United States* v. *Rio Grande Dam and Irrigation Co.* (174 U. S. 690), affirming the power of Congress under the Rivers and Harbors Act of 1890 to prohibit projects on nonnavigable streams that were found to impair the navigable capacity of lower navigable streams was one of the reasons which influenced the Congress to enact section 23 of the Federal Water Power Act with its provision for administrative jurisdiction over nonnavigable tributaries.[3]

Both the River and Harbor Act of 1890 and the similar act of 1899 carried the assertion of congressional power over obstructions on nonnavigable waters. A similar exercise of congressional power over nonnavigable streams occurred when Congress passed the California Debris Commission Act of March 1, 1893 (33 U. S. C. 661–685), which subjected to Federal regulation the activities of the hydraulic mining industry upon the headwaters of the Sacramento-San Joaquin River system, which had been found by Congress to affect the navigability of the lower waters. This legislation was upheld by both the district court and the Circuit Court of Appeals of the United States, Ninth Circuit, in *United States* v. *North Bloomfield Gravel Mining Co.* (81 Fed. 243, and 88 Fed, 664, respectively). These decisions have not been overruled. In the light of these former acts of Congress, section 23 of the Federal Water Power Act of 1920, against which the State of North Carolina complains, was merely the assertion of a new form of regulation over projects on nonnavigable streams—certainly it was not a new departure in principle in congressional policy.

It may be noted here that the State of North Carolina is not by the Power Act bereft of control over corporations enjoying franchises obtained from it, since section 9 (b) of the Federal Power Act requires every applicant for a license to submit satisfactory evidence of compliance with the laws of the State or States within which the proposed project is to be located, with respect to bed and banks and to the appropriation, diversion, and use of water for power purposes and with respect to the right to engage in the business of developing, transmitting, and distributing power, and in any other business necessary to effect the purposes of a license under that act (*New Jersey* v. *Sargent*, 269 U. S. 328).

NAVIGABILITY OF THE YADKIN-PEEDEE RIVER

The Yadkin River rises in northwestern North Carolina and after being joined by the Ararat River from Virginia and other tributaries flows into South Carolina, where it is known as the Peedee River. In determining whether the proposed Tuckertown power project may affect the interests of interstate or foreign commerce, it is necessary to ascertain where the head of present navigation is located on the Yadkin-Peedee River.

The claim is made by the declarant and the State of North Carolina that the Peedee River is nonnavigable between Cheraw and Jeffreys Creek, 78 miles below or possibly even farther downstream. The improvement of the Peedee River as a navigable waterway was early undertaken by the State of South Carolina, which in 1784 appropriated money for the removal of obstructions up to the North Carolina line. The Federal Government has spent up to 1929 a total of $345,601.67 for dredging and snagging in the Peedee River up to Cheraw. While it is contended there has been little actual use of the river in recent years and that the Chief of Engineers in 1931 recommended that the existing project between Cheraw and Jeffreys Creek be abandoned, congressional authority for a 3.5-foot channel up to Cheraw has not been changed, and the War Department is now engaged in an investigation to determine whether the recommendation of 1931 should stand.

Even if the present use of the Peedee River for navigation purposes is slight, the Supreme Court has long since pronounced the common-sense rule that commercial disuse does not change the legal character of a navigable river nor prevent future exertion of Federal control, *Arizona* v. *California* (283 U. S. 423, 454); *Economy Light & Power Co.* v. *United States* (256 U. S. 113). For the purpose of ascertaining what interests of interstate or foreign commerce may be affected below the proposed Tuckertown project, the Commission accepts the congressional authorization of a 3.5-foot navigation channel on the Peedee River from Smiths Mills to Cheraw and the other evidences of navigability of that section as definitely establishing the character of the Peedee River as a navigable waterway of the United States up to Cheraw.

EFFECT OF STORAGE RESERVOIRS

The Commission has considered at length the testimony and the opinions of engineering experts who testified. A number of reports of the Chief of Engineers and other public records were made a part of the record in this proceeding. The briefs filed discussed to some extent the conclusions which it was desired to have the Commission draw from the evidence, and the Commission has considered the arguments therein advanced.

Both the declarant and the State of North Carolina contend that the large storage capacity of three of the four reservoirs below Tuckertown would make it impossible to operate the proposed Tuckertown project so as to affect the stream flow below the lowest plant at Blewett. All of the engineering witnesses were of the opinion that the storage of water in these reservoirs during times of high flow and the release of the stored water during periods of low flow would add to the navigable capacity downstream, and the Tuckertown reservoir capacity could be added to the existing storage capacity to contribute its share to this beneficial effect if the flow of the water is properly controlled. For example, during the year 1933 the natural low flow of the Yadkin-Peedee River was increased by 356,852 acre-feet, to which the declarants propose to add 23,000 acre-feet of additional available storage. However, without Federal regulation, there can be no assurance that the natural low flow will be uniformly increased by the operation of any of the reservoirs on the Yadkin River including the proposed Tuckertown development. The Power Act provides for reasonable and adequate supervision.

IMPORTANCE OF EXISTING PLANTS

The declarant urges that the declaration of intention deals solely with the Tuckertown project and that it is immaterial to the present proceedings what the effect of the existing projects may be upon the stream flow below. This contention overlooks the fact that no better means could be secured for determining the effect of an unconstructed power development on a stream than to observe the actual measurable effects which existing plants have had on the same stream during the past years of operation. In order to ascertain what may be expected from the Tuckertown project, the Commission has examined the results which have come from operation of the existing plants.

The lowest plant on the river is at Blewett with a reservoir capacity of 22,500 acre-feet, or 500 acre-feet less than the proposed Tuckertown development. The hydraulic capacity of the water wheels at Blewett is around 7,200 c. f. s. under normal head and at Tuckertown it will be around 9,600 c. f. s., or one-third greater. Blewett is about 24 miles above Cheraw and Tuckertown about 79 miles above Cheraw. The drainage areas at Tuckertown, Rockingham (4 miles below the Blewett plant), and Cheraw are 4,075, 6,910, and 7,380 square miles, respectively. The declarant introduced as Exhibit C, a tabulation of the regulated mean monthly and annual flow past the High Rock Dam immediately above Tuckertown, showing a mean annual flow for the entire period of 4,646 c. f. s. The average annual flow at Rockingham for the 7 years of record is approximately 7,950 c. f. s. No stream-flow figures were introduced to show the discharge of the Peedee River at Cheraw, but figures obtained by the United

[3] During debate in the Senate on May 27, 1920, replying to Senator KING, who objected that the Power Act should not be extended to the limit of congressional authority, Senator Nelson, then in charge of the bill, said:

"Mr. NELSON. The Court's decision only goes to this extent—and the facts in the case must be considered—that is, to the tributaries that supply water to the main stream, which is in fact and in law navigable, Congress of necessity must have sufficient jurisdiction over those feeders to prevent their being dammed up and thereby preventing the supply of water running into the main stream. That is the extent of the decision and the Senator ought to see that that is inevitable, for if all the feeders of our great rivers, such as the Mississippi, the Missouri, and other navigable rivers, could be dammed up so that water would be kept away from them they would cease to be navigable.

"Mr. KING. I am not arguing that question.

"Mr. NELSON. So the Government has jurisdiction to the extent that the supply of water cannot be cut off from a navigable stream." (CONGRESSIONAL RECORD, 66th Cong., 2d sess., p. 7730.)

States Geological Survey from the gage maintained at Rockingham, 20 miles upstream, represent substantially the flow at Cheraw.

There were introduced in evidence two portions of a chart taken from the automatic recorder gage maintained by the United States Geological Survey at Cheraw, exhibits 11 and 12. This chart records vertical movements of the water level at the head of the navigation channel at Cheraw and the gage is entirely automatic and continuous in operation. The engineering witnesses who examined it testified that it indicated fluctuations in the stage around 4 feet every day throughout most of the period covered with more prolonged drops every week end.

The chief engineer of the North Carolina Department of Conservation and Development stated that the Blewett plant alone caused the fluctuations shown on the Cheraw recorder gage charts. If the Blewett plant could cause such violent fluctuations in the water elevations at Cheraw, it is apparent that the proposed Tuckertown development with its similar characteristics and greater hydraulic capacity could cause almost equally serious fluctuations in the navigable channel below Cheraw.

PROBABLE METHOD OF OPERATION OF TUCKERTOWN PLANT

Two of the plants below Tuckertown have large storage reservoirs, the Blewett Reservoir is the same size as the proposed Tuckertown Reservoir, and the Falls Reservoir is very small, only 3,900 acre-feet. The reservoir at Narrows has a capacity of 155,000 acre-feet and the one at Tillery or Norwood, capacity of 96,000 acre-feet. The Tillery and Blewett plants are owned by the Carolina Light & Power Co. while the declarant owns the remaining three plants. The largest development on the river is at High Rock, 7 miles above Tuckertown, with a reservoir capacity of 232,000 acre-feet.

The Aluminum Co. maintains a manufacturing plant at Badin, about 6 miles from Tuckertown, which is primarily devoted to the production of metallic aluminum through an electro-chemical process which requires direct current supplied continuously 24 hours every day throughout the year. Interruptions to this manufacturing process even for an hour or so entail losses which make it desirable to maintain production continuously. Mr. Growdon testified that the Tuckertown plant would be tied in with the other Aluminum Co. generating plants through the existing transmission system, and that the energy from Tuckertown would be largely used for the industrial plant at Badin, with some distribution to their employees at Badin as a matter of convenience.

Mr. Growdon said the Falls and Narrows plants of the Aluminum Co. would supply the main uniform load for the Badin plant and the High Rock and Tuckertown plants would be operated together to supply the variable load. It seems reasonable to assume that the Aluminum Co., an industrial concern, would not make the large investment called for to construct the Tuckertown project unless the generating capacity to be installed would assist in the manufacturing processes carried on at Badin. It does not necessarily follow from this, however, that the Tuckertown plant will be operated as a run-of-river plant or on a high-load factor.

The hydraulic capacity of the generating machinery proposed for installation at Tuckertown is over double the annual mean stream flow shown on exhibit C prepared by declarant, and over three or four times the low flow prevailing over half of each year. Such installation is made only where it is desired to operate on an irregular or peak-load basis and the large expenditure at Tuckertown is justified chiefly for peak-load operation. It is the further testimony of Mr. Growdon that when the flow into the Tuckertown Reservoir is 3,600 cubic feet per second or less it would be possible, starting with an empty reservoir, to hold back all water entering the Tuckertown pool for a period of over 3 days. Of course, when the flow into Tuckertown is less than 3,600 cubic feet per second the period of shut-down can be extended.

These facts show clearly that it may not be expected that the Tuckertown Reservoir will be emptied over a 6 months' period at a uniform rate so as to increase the flow in the river below by from 40 to 60 cubic feet per second as referred to by Mr. Growdon, but rather that the discharge will be exceedingly irregular. In addition to the circumstances already mentioned, however, there is one other factor which points conclusively to irregular operation of the proposed plant.

Method of operation of existing plants

The Aluminum Co. has interchange agreements with the Carolina Power & Light Co. and with the Duke Power Co., both public utilities serving industrial communities. The hydraulic reports showing operation of the three hydro plants owned by the declarant record sales of large blocks of power to both of the above-named public-utility companies. Under the arrangements now in effect the Aluminum Co. delivers to these companies during peak hours and receives energy in return during off-peak hours. Such an arrangement permits the most effective use of power plants with storage capacity and enables the Aluminum Co. to furnish their Badin industrial plant with a uniform supply of electric energy and at the same time to operate their hydro plants on a peak-load basis.

The periods of operation are higher for the Narrows and Falls power plants than at High Rock, exhibit M showing that during June 1935 the Narrows plant operated with a load factor between 60 to 70 percent most of the time and the Falls power plant, with its small reservoir capacity, operated at an even higher load factor. All of the evidence regarding the manner of operation of the existing plants shows that there is no uniformity from month to month or even from week to week, and with the present uncertainty in discharging the water past the existing dams there can be no assurance given by the declarant that there will be uniformity in the operation of the Tuckertown plant.

The declarant could not state what reregulating effect the two plants of the Carolina Power & Light Co. will have, because there is no agreement between the two companies as to how the several plants will be operated, and even if such an agreement did exist certainly it would be subject to modification at any time and therefore of no value in the present proceeding.

There is one further principle of storage reservoir operation common to reservoirs of the type now constructed on the Yadkin River which should be mentioned. It is true that the Blewett plant as the lowest plant on the river can completely control the flow past its dam during such periods as the flow into the reservoir does not exceed in volume the hydraulic capacity of the generating machinery during periods of operation plus the available storage during the time of regulation. With a storage capacity of 22,500 acre-feet, the Blewett Reservoir can be used for only a limited time after high water to increase the low-water flow until its storage is exhausted, and when the flow into the Blewett Reservoir exceeds in volume the amount which can be accommodated in the reservoir plus the amount required for operation of the wheels, the Blewett plant is unable to fluctuate the flow past its dam. During most of the year, however, the Blewett plant operates on an irregular or peak-load basis. The upper reservoirs, in holding back large flows for release during low-water periods, prolong the period during which the Blewett plant may cause its greatest fluctuations. By increasing the low-water flow, the upper reservoirs would add to the navigable capacity of the Peedee River from Cheraw, but through use of the Blewett storage reservoir this increased flow is so manipulated and so fluctuates the stage of the Peedee River from Cheraw downstream as to render navigation impossible.

This simply means that a series of storage reservoirs are valuable for power purposes when considered as individual plants and more valuable when situated, as on the Yadkin River, in a group where the extremely large storage capacity of some plants may be used for the benefit of smaller plants. That the declarant recognizes such value is shown by the testimony of its hydraulic engineer that the Tuckertown and High Rock plants will be operated in parallel. The three large storage reservoirs now on the Yadkin build up the low flow for Blewett and the large storage reservoir at High Rock will similarly build up the low flow for the Tuckertown plant and increase its ability to fluctuate the flow past its dam.

The evidence shows that no fixed rule of operation is applied to the existing plants, nor, in the absence of a Federal license, can one be imposed on the Tuckertown project. Assuming that the four downstream plants would consecutively release the water discharged from the Tuckertown plant so as not to erase or destroy the wave effects of its operation on stream flow, this plant would affect navigable capacity of the Peedee River by causing waves of considerable magnitude.

APPLICATION OF SUPREME COURT DECISIONS

It may fairly be concluded from the decisions of the Supreme Court that the flow of the Yadkin River, under the facts disclosed, is impressed with a public servitude or interest for the purpose of protecting, preserving, and even enlarging the navigable capacity of the Peedee River, of which navigable capacity the flow from the Yadkin River is an essential part. The Commission is not bound to view the river in its present condition with the existing obstructions but is under a duty to consider what the effect would be if the river was in its natural condition. Probably no river which has been the subject of litigation has been as completely and effectively obstructed against actual use by river craft as the Desplaines River in Illinois, across which the Economy Light & Power Co. sought to build a power dam at Joliet. A century had passed since the last commercial use of that stream as an artery of commerce and its actual use had been a matter of such long past history that no one living could testify as to how it had been navigated. Delving into historical records, however, the Supreme Court had no difficulty in recognizing that an extensive use by bateaux, canoes, and light craft in the early settlement of that region had established beyond cavil the navigability of the river in its natural state.

The Court in unmistakable language preserved the Federal interest in the navigable waterway:

"The act in terms applies to 'any navigable river or other navigable water of the United States'; and, without doing violence to its manifest purpose, we cannot limit its prohibition to such navigable waters as were, at the time of its passage, or now are, actually open for use. The Desplaines River, after being of practical service as a highway of commerce for a century and a half, fell into disuse, partly through changes in the course of trade or methods of navigation, or changes in its own condition partly as a result of artificial obstructions. In consequence, it has been out of use for a hundred years, but a hundred years is a brief space in the life of a nation; improvements in the methods of water transportation, or increased cost in other methods of transportation may restore the usefulness of this stream since it is a natural interstate highway, it is within the power of Congress to improve it at the public expense; and it is not difficult to believe that many other streams are in like condition, and require only the exertion of Federal control to make them again important avenues of commerce among the States. If they are to be abandoned, it is for Congress, not the courts, so to declare" (*Economy Light & Power Co.* v. *United States*, 256 U. S. 113, 123–124).

The principle expressed in the Economy case is equally applicable to the instant case. It is within the power of Congress to protect and preserve the flow of navigable waters whether the acts which affect that flow are performed within or outside the limits of the navigable portion (*United States* v. *Rio Grande Dam and Irrigation Co.*, 174 U. S. 690) and in determining such effect the Commission is not confined in its vision to tributaries in their artificial or obstructed condition, but must also envisage them in their natural unobstructed condition, since, as the Court well said in the Economy case, a hundred years is but a brief space in the life of a nation and conditions affecting the navigability of a river may change from one generation to the next without destroying the jurisdiction of Congress.

THE INTERESTS OF INTERSTATE COMMERCE ON THE PEEDEE RIVER

The Peedee River appears to have been an important highway of commerce in the past, but due to changed economic conditions and the movement of trade and commerce in other directions, the construction of highways and railroads and other factors affecting the development of this region, the commercial use of the Peedee River has been restricted in recent years. However, actual use of the river may not be a matter of the far distant future, for there is some indication in the record of a revival of interest in the commercial use of this stream. The Board of County Commissioners of Georegtown County, S. C., addressed a communication to the district engineer calling attention to the industrial and commercial possibilities in that region and urging the cleaning out and deepening of the Peedee River in the area between Georgetown and Cheraw.

In section 23 (b) of the Federal Power Act, Congress has expressed its intent to protect those interests of interstate commerce on navigable waters which may be affected by power developments on nonnavigable tributaries.

From the evidence in the record the Commission concludes that the proposed Tuckertown project would cause serious fluctuations in the stage of the Peedee River from Cheraw downstream; that such fluctuations in stage will alter and modify the conditions and capacity of the navigable channel of the Peedee River and affect the interests of interstate or foreign commerce.

An appropriate finding of the Commission will be entered in accordance with this opinion.

Dated at Washington, D. C., this 16th day of November 1937.

CLYDE L. SEAVEY,
Acting Chairman.
CLAUDE L. DRAPER,
Commissioner.
BASIL MANLY,
Commissioner.
JOHN W. SCOTT,
Commissioner.
LEON M. FUQUAY,
Secretary.

FINDING OF COMMISSION

Upon the declaration filed June 7, 1937, by Carolina Aluminum Co., pursuant to the provisions of section 23 (b) of the Federal Power Act, of its intention to construct a hydroelectric power project on the Yadkin River near Tuckertown, N. C., and after investigation of such proposed construction and hearings upon said declaration and for the reasons set forth in the Commission's Opinion No. 29, issued this date and made a part hereof, the Commission finds:

That the interests of interstate or foreign commerce would be affected by such proposed construction of the said project.

Adopted November 16, 1937.

Mr. BAILEY. Mr. President, I take it I have the privilege of making some remarks in the light of the statement of the Senator from Indiana [Mr. MINTON].

The Senator is perfectly right in his view that I complained that the Federal Government was unnecessarily intruding itself upon the rights and the interests of the Commonwealth of North Carolina and its people. He is not correct in the impression which he received that I was making an argument that the Power Commission had not proceeded under some law. My complaint was that we were making laws of that sort, and that they were having the consequences of arresting recovery, the investment of funds, the development of power, the creation of private enterprise, without which there can be no recovery, and without which there can be no real employment in America.

I do not think the statement made by the Senator affects in the slightest degree any statement I made in the remarks to which he refers.

In order to make the matter perfectly clear, I am going to reiterate the story. It will take about 5 or perhaps 10 minutes.

What happened was this:

The Congress did pass, in 1935, an act in which it is required that those who undertake to build a dam upon a stream shall come up here to Washington and get a license, and get just such a license as the Federal authorities may choose to give. I did not know the name of the company until this moment. I said the other day it was the Aluminum Co. of America. The Senator has just said it was the Carolina Aluminum Co. The Carolina Aluminum Co. is a subsidiary of the Aluminum Co. of America.

Here are the facts: The Yadkin River never has been navigable. The Yadkin never will be navigable. The Yadkin River is a rocky river which runs from up in Wilkes County, in the northwestern part of the State of North Carolina, in a southeasterly direction, flowing into South Carolina at our southern boundary, I think, in Richmond County. The river flows through a great deal of territory in our State. By reason of the rapid descent from the elevation of the mountain country to the plain it is capable of a great deal of water-power development.

On that river now are five great concrete dams. Three or four of the concrete dams are below the Tuckertown site and one is above it. It may be possible to navigate that river with an airplane, but it never will be navigated with a boat. Yet it is said in Washington that the river is a navigable river.

What is the consequence? The Carolina Aluminum Co. would like to spend $6,000,000 there to develop power. The $6,000,000 would buy a great deal of concrete, would employ a great many people, would create a great deal of water power. But the Carolina Aluminum Co. cannot develop that power, cannot spend that money, cannot buy that concrete, cannot employ those people, because the Congress enacted a law and the Power Commission took jurisdiction upon the petition for license that had to be filed, not of the will of the corporation proposing to invest the money, but because the corporation dared not run into this complication with the Federal law.

The people of North Carolina are very greatly concerned about that. They would like to know if the Federal Government is going to prevent the development of enterprises of that kind in our State. We were building dams and developing power in North Carolina long before the Federal Government ever entered upon such a policy. We are prepared to go ahead with that kind of work if the Federal Government will make it feasible for us to do so. The whole point of my contention is that the policy of the Federal Government is such as to handicap and deter the investment of funds which are ready for investment, which would employ people and develop enterprise. That is the whole contention.

So what the Senator from Indiana had to say today does not affect at all any of the facts which I stated and does not affect any conclusion which I gave then and which I am giving now.

I do protest against a public policy which studiously prevents men who have capital from investing capital. I do protest that the Federal Government can never rise to the necessities of employing the American people who want employment or keeping in employment the American people who now are employed, by investing its own borrowed funds. As I understand the situation at this moment, I think we all bear witness to the fact that that sort of thing has come to a practical end in this country today. The feebleness of public spending is now manifest to all the American people. I fear there are millions who are going out of employment. What we need today is to frame a public policy which would encourage those who have money to put it in enterprise, and that would employ in the great enterprises our people who are crying for employment. That would arrest this adverse tide which has come so suddenly upon us.

I am glad the Senator gave me an occasion to reiterate my views. Now that we have reached this period of transition, I should like to have the Congress of the United States set up a policy which would encourage the investment of funds in private enterprise, not for the sake of those who have the funds but for the sake of the Government, for the sake of those who are now employed and about to lose their jobs, and then for the sake of the millions who are unemployed.

Mr. BARKLEY. Mr. President, I call for the regular order.

The PRESIDENT pro tempore. The regular order is called for.

AGRICULTURAL RELIEF

The Senate resumed the consideration of the bill (S. 2787) to provide an adequate and balanced flow of the major agricultural commodities in interstate and foreign commerce, and for other purposes.

The PRESIDENT pro tempore. The clerk will state the first amendment passed over.

The CHIEF CLERK. The first amendment passed over is on page 26, line 20, passed over at the request of the Senator from Iowa [Mr. GILLETTE], where the committee proposed, after the word "through", to insert "the State, county, and", and in line 21, after the word "farmers", to insert "hereinafter provided", so as to make the sentence read:

(e) The Secretary shall provide, through the State, county, and local committees of farmers hereinafter provided, for farm marketing quotas which shall fix the quantity of the commodity which may be marketed from the farm. Such farm marketing quotas shall be established for each farm on which the farmer (whether or not a cooperator) is engaged in producing the commodity for market.

Mr. GILLETTE. Mr. President, at the time this amendment was called for consideration it seemed advisable to some of us that it should be amended to conform to an amendment which we had previously adopted retaining in the local committees as large a portion of the administrative powers as possible. But the other amendment pertained to the soil-depletion base acreage. This particular amendment applies to the assignment of marketing quotas. In view of the fact that on the previous page, page 25, it is provided that the Secretary, in determining the national amount of marketing quota, must also in his proclamation determine for each farm the percentage of the soil-depleting base acreage which is fixed by the local committee, it does not seem to me necessary to amend the committee amendment at this time as I had previously contemplated. I have no objection to the adoption of the committee amendment.

The PRESIDENT pro tempore. The question is on the adoption of the committee amendment on page 26, lines 20 and 21.

The amendment was agreed to.

The PRESIDENT pro tempore. The next amendment passed over will be stated.

The CHIEF CLERK. On page 27, beginning in line 1, after the word "market" and the period, the committee proposes to strike out:

The marketing quota for any farm shall be the amount of the current crop of the commodity produced on the farm less, first, the normal yield of the acreage on the farm devoted to the production of such commodity in excess of that percentage of his soil-depleting base acreage therefor which is equal to the percentage of the national soil-depleting base acreage specified in the proclamation of the Secretary, and, second, any amount of such crop placed under seal pursuant to the provisions of section 4.

And to insert in lieu thereof the following:

The marketing quota for any farm shall be the amount of the current crop of the commodity produced on the farm less the normal yield of the farm acreage planted to such crop in excess of the percentage, as proclaimed under this section, of the farm's soil-depleting base acreage for such crop.

Mr. POPE. Mr. President, this amendment was passed over at my request. It was my intention at the time to offer an amendment to the committee amendment, but I have decided not to do so. The substance of the amendment which I have in mind will appear elsewhere in the bill.

Mr. McNARY. Mr. President, does the Senator have reference to the so-called dairy amendment?

Mr. POPE. Yes.

Mr. McNARY. I think properly it should come on page 82. I have an amendment which I have reason to believe should be inserted at that point, if adopted, and I hope the Senator will share my views.

Mr. POPE. I see that I was mistaken. I desire to amend the committee amendment, as it appears on page 27, lines 10 to 15. After the word "farm" in line 12, I propose to insert the words "less the amount used on the farm and used for seed, and." I am not considering the amendment of this amendment with reference to any dairy matter, but in calculating the farm portion it seems advisable to permit the farmer to keep out this portion as seed which he might desire to use on his farm. The only effect the proposed amendment to the amendment would have would be to permit him to keep out his seed. The dairying amendment should appear at another point in the bill rather than at this point.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. POPE. I yield.

Mr. O'MAHONEY. At this point in the bill is it the purpose of the Senator to have considered the amendment which he discussed with us previously for protection of the livestock industry?

Mr. POPE. No. I just made the statement that the amendment relating in the dairy industry and the livestock industry should appear elsewhere in the bill. I have prepared an amendment for that purpose and shall present it at another time. I had intended at one time to attach one of the amendments to this part of the bill.

Mr. O'MAHONEY. There has been no change in the Senator's purpose to present that livestock amendment?

Mr. POPE. No. The amendment to the amendment on page 27, which I desire to offer now, is in line 12, after the word "farm." I ask that it may be stated.

The PRESIDENT pro tempore. The amendment will be stated.

The CHIEF CLERK. On page 27, line 12, after the word "farm", it is proposed to insert "less the amount consumed on the farm and used for seed and", so as to make the sentence read:

The marketing quota for any farm shall be the amount of the current crop of the commodity produced on the farm less the amount consumed on the farm and used for seed and less the normal yield of the farm acreage planted to such crop in excess of the percentage, as proclaimed under this section, of the farm's soil depleting base acreage for such crop.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

The PRESIDENT pro tempore. The next amendment passed over will be stated.

The CHIEF CLERK. On page 34, after line 23, it is proposed to insert:

(c) The amount of the national marketing quota allotted to each State shall be apportioned by the Secretary among the several counties or subdivisions thereof in such State upon the following basis:

(1) The proportion that the land devoted to tilled lands on cotton farms in the county is of the land devoted to tilled lands on all cotton farms in the State.

(2) The proportion that the normal production of cotton for the county is of the State marketing quota.

(3) The number of families composed of two or more persons actually residing annually on and actually engaged in the production or growing of cotton, together with other farm crops on the tilled lands of the county.

The PRESIDENT pro tempore. The amendment was passed over at the request of the junior Senator from Mississippi [Mr. BILBO].

Mr. McKELLAR. Mr. President, I wish to invite the attention of the Senator from Mississippi [Mr. BILBO] and the attention of other Senators to some figures which have been prepared by the Department which would indicate what the adoption of the amendment would do. I have the figures only for the States of Mississippi and Arkansas, but proportionately they will apply in a general way to other States as well.

The amendment would rearrange the cotton-raising business in our part of the country. For instance, in Mississippi the following counties are involved: Marshall, De Soto, Tunica, Winston, Coahoma, Tallahatchie, Sunflower, Oliver, Leflore, Washington, Humphreys, Sharkey, Yazoo, Hinds, and a number of other counties; and over in the eastern

part of the State, Noxubee, Monroe, and Lee Counties. It would decrease to quite an extent the cotton acreage in those counties, while in the other counties which I have not named, being a majority of the counties of the State, the increase in cotton acreage would be very great.

For instance, in the southern part of the State, in Jackson County, where there were only 374 bales raised last year, the increase in percentage would be 30.2 percent; in Harrison County, where 353 bales were raised last year, the increase would be 51.6 percent; and in Hancock County, where only 416 bales were raised last year, the increase would be 400 percent. In other words, the effect of the amendment will be to tremendously increase the cotton acreage in some counties and quite largely decrease it in other counties. If that would be the result in Mississippi, I think it would have the same effect in Tennessee, and, so far as I am concerned, I think it would be very unfair.

Mr. MILLER. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. MILLER. I should like to call the attention of the able Senator from Tennessee to the fact that the figures for Arkansas and Mississippi were compiled without taking into consideration the Overton amendment, which was adopted to line 5, on page 35, and also to line 6, on page 36.

Mr. McKELLAR. Is the Senator sure of that? I make the inquiry because I called Mr. White on Friday, I think it was, and read to him over the telephone the Overton amendment, and asked him for the figures under the committee amendment with the Overton amendment added, and I assume the Department has sent me the figures as they would be under the committee amendment with the Overton amendment included.

Mr. MILLER. I assumed the same thing, but this morning a young man representing Mr. White called at my office and furnished me the same information the Senator has. Upon my asking him the pointed question whether in compiling those figures consideration was given to the Overton amendment he said the figures were not made with the Overton amendment in mind, and he said further that when the Overton amendment was considered, the figures would be all wrong.

Mr. McKELLAR. Then why send them to us, after being specifically requested to take into consideration the Overton amendment?

Mr. MILLER. It just adds a little more mystery to the bill.

Mr. McKELLAR. It seems to me to add very great unfairness.

Mr. MILLER. It does.

Mr. McKELLAR. For instance, if we take the counties in Mississippi, it appears that no cotton is raised in Hancock, Harrison, and Jackson Counties, or practically none, but it will give them a tremendous increase, one of the counties 400 percent, another 511.6 percent, and another 330.2 percent.

I am just wondering what is going to happen in Tennessee.

In Tennessee most of the cotton produced is raised in the western part of the State and in the southern part of middle Tennessee. If this amendment will reduce the acreage in west Tennessee, where cotton is planted, and give enormous increases to counties where a few bales only are raised, and allow the counties which do not raise cotton now at all to raise cotton, it would be a tremendous mistake. We would be doing something by the pending bill that we ought not to do. We should not undertake to change the natural raising of cotton in the various counties of the several States, and I think the amendment ought not to be agreed to; that it ought to be stricken out.

Mr. MILLER. I agree most heartily with what the Senator says. The point I was making was that the figures the Senator has are misleading; they are not reliable and do nothing more than just confuse us. For instance, consider Arkansas. The increase in Arkansas County is 76.3 percent. That is one of the rice counties in Arkansas. Very frankly, I interrogated the officials to determine what action should be taken on the amendment now under consideration, and made the statement that if those figures were based upon the Overton amendment something had to be done.

Mr. McKELLAR. Has the Senator undertaken to find out what the effect of the committee amendment would be even with the Overton amendment added? If there is any doubt about it, if the effect of the Overton amendment would be to make these wholesale changes in the production of cotton in the various counties in the several States, we would be doing something we would all very much regret.

Mr. MILLER. I merely made the statement to the representative of Mr. White that I should like to see a compilation of figures taking into consideration the Overton amendment, because in my opinion the Overton amendment will solve our troubles and leave the situation about as it is.

Mr. McKELLAR. Does not the Senator think it would be better for us to have this matter go over until we can interview Mr. White, or the author of these figures, and see just what the situation is? We should not vote for a cat in the bag.

Mr. MILLER. I do not want to vote for it; that is the reason why I was asking the question.

Mr. McKELLAR. Under those circumstances, after I yield to Senators who have indicated they wish to interrogate me, I will request that the amendment go over.

Mr. OVERTON. Mr. President, will the Senator yield?

Mr. McKELLAR. I yield.

Mr. OVERTON. I wish to observe that certainly the figures which have been furnished the Senator from Tennessee did not apply to the Overton amendment.

Mr. McKELLAR. My reason for saying they did apply to the amendment was that a few days ago, when the amendment came up, I went to the telephone in the cloak room and called Mr. White, who I understood was preparing these figures, and asked him if he would not get the figures together. I came in and got a copy of the Overton amendment and read it to his stenographer, had it taken down, and asked Mr. White to send me the names of the counties and figures as to the increases in each when he prepared his figures, just as he has done.

I did not see the young man who came this morning, but surely Mr. White had the Overton amendment before him, because I gave it to him. There cannot be any question of that. I gave the amendment to him over the telephone, and he took it down, and I told him just exactly what we wanted; that we wanted to know what effect the Overton amendment would have on the original amendment.

Mr. OVERTON. I think he had better refigure it.

Mr. McKELLAR. I think so, too.

Mr. OVERTON. The Overton amendment bases the allocations on cotton production alone as a market crop. The only market crop that will be considered in the allocation under the Overton amendment is cotton. The original provision, according to which the figures were furnished to the Senator from Tennessee, took into consideration all crops, and therefore there was considerable discrepancy between the original allocation made under the A. A. A. and the bill as presented by the committee. The Overton amendment excludes all market crops except cotton.

Mr. McKELLAR. I understood the Overton amendment fully, and had thought that perhaps that corrected the situation brought about by the original amendment; but the officer at the Department said otherwise.

Mr. OVERTON. The advantage of the Overton amendment over the old method of allocation is that they will take into consideration in the allocation production for home consumption.

Mr. McKELLAR. Yes. I will be very glad to ask to have the amendment go over until we can ascertain from Mr. White whether he took into consideration the Overton amendment in sending out these figures.

Mr. BILBO. Mr. President, will the Senator yield to me?

Mr. McKELLAR. I yield to the Senator from Mississippi.

Mr. BILBO. Mr. President, at this juncture I wish to make one observation about the purpose of the formula upon

which the county allotment is to be made. The Senator from Tennessee objects to any change being made in the new allocation. The purpose of the new formula was to bring about changes in order to correct some inequities which have obtained under the old control program.

I have before me the same map from which the Senator has been speaking, from which he shows that the counties in the alluvial section of the State of Mississippi, or in the prairie section and the Delta section of Mississippi, will lose under the formula set out in the bill. The purpose of the new formula was to take away from this part of the State a portion of their production, and distribute it among the hill sections of the State, for the reason that beginning with the Bankhead Control Act, under which acreage bases were set up for allotments, the hill sections of the State were literally robbed of their equitable share of the crop to be planted. The purpose of this formula is to bring about a readjustment so as to restore to these people the acreage which has been taken away from them in the cotton-control program, and it is so drawn that there will not be such a shift of production as to disturb the economic conditions in the alluvial section of the State.

The Senator makes reference to the southern part of Mississippi receiving the largest percentage under this formula. The Senator does not know that territory, and I may state for his information that within recent years, the last 4 or 5 years, this great cut-over section of Mississippi was covered with pine. The timber has been removed. The country is being settled, and the people there are just now beginning to put this land into cotton. That is the only cash crop in that section at this time, the only thing the people there can grow profitably at this time.

While this map shows there is an increase, if the Senator will look at the figures above, as to percentages, he will find they had practically no acreage before. For instance, in Jackson County, with 374 acres, under the new allotment there would be only about 400 acres. In Hancock County, with 416 acres, they would have 1,600 acres. Pray tell me, would the Senator object to a county having 1,600 acres in cotton there, which would be the only money crop the people could have?

Mr. McKELLAR. I am not objecting at all. I am merely calling attention to the inequality of the matter, and I am not undertaking to transfer the production of cotton from one part of the State to another, from one county to another. I suppose that in the great majority of counties in Tennessee no cotton at all is raised, and I do not think we should undertake by legislation to see to it that in those counties where cotton is not raised cotton should be raised, and deprive the counties where cotton now is raised of their acreage which could be planted.

Mr. BILBO. No one else wants that done, and it was the purpose of the Overton amendment to correct that kind of a shift.

Mr. McKELLAR. Mr. President, if the Senator will permit me, I will ask unanimous consent that for the present the amendment go over, until I can talk to the man at the department about the figures.

Mr. BILBO. Very well.

The PRESIDENT pro tempore. Without objection, the amendment will be passed over.

Mr. McKELLAR. Mr. President, I ask unanimous consent to have inserted in the RECORD the figures appearing on the two maps of Arkansas and Mississippi, referred to in the debate. The maps themselves cannot be printed in the RECORD, but the figures as to acreage by counties and as to the percentages, with the explanations shown, can be printed, and I ask unanimous consent that that be done in connection with my remarks as to the amendments on pages 34 and 35 of the bill. I ask to have the figures printed following my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Percentage change from 1937 county cotton quota by allotting acreage on basis of cropland on cotton farms, normal production, and number of families on cotton farms

ARKANSAS

[Plus (+) indicates increase; minus (—) indicates decrease]

	1937 county cotton quota	Percent of 1937 county cotton quota
Arkansas	+27,222	176.3
Ashley	−65,759	87.4
Baxter	+7,048	167.4
Boone	+1,634	162.4
Bradley	−32,619	84.1
Calhoun	−27,043	81.6
Chicot	−72,346	95.1
Clark	+47,769	106.5
Clay	+56,533	148.6
Cleburne	+26,464	119.4
Cleveland	−41,748	74.8
Columbia	−93,625	81.6
Conway	−72,077	83.6
Craighead	+98,408	122.9
Crawford	−17,653	58.7
Crittenden	−177,473	90.7
Cross	−73,671	96.5
Dallas	+20,189	100.3
Desha	−61,502	99.0
Drew	−48,587	93.9
Faulkner	−83,689	91.9
Franklin	+21,592	109.0
Fulton	+14,630	161.6
Garland	+6,780	151.0
Grant	+17,852	109.0
Greene	+46,969	153.4
Hempstead	−76,097	92.8
Hot Spring	+17,711	141.1
Howard	+37,819	104.2
Independence	+45,354	115.0
Izard	+27,585	126.8
Jackson	−95,026	77.3
Jefferson	−151,431	84.9
Johnson	+19,650	109.7
Lafayette	−60,127	84.2
Lawrence	+55,227	112.0
Lee	−92,983	96.5
Lincoln	−81,802	86.5
Little River	−48,638	80.6
Logan	+43,658	110.7
Lonoke	−123,492	80.9
Marion	+6,800	210.7
Miller	−68,966	82.9
Mississippi	+251,965	116.0
Monroe	−69,856	81.8
Montgomery	+13,155	146.4
Nevada	−55,631	93.5
Newton	+1,693	179.3
Ouachita	−33,397	88.9
Perry	+19,345	106.7
Phillips	−115,909	94.5
Pike	+20,048	117.4
Poinsett	+77,937	120.4
Polk	+13,451	152.8
Pope	−61,300	88.6
Prairie	+31,322	120.6
Pulaski	−73,980	77.6
Randolph	+35,265	129.1
St. Francis	−126,830	93.0
Saline	+8,694	173.2
Scott	+18,340	117.6
Searcy	+4,773	173.2
Sebastian	+27,769	104.0
Sevier	+20,859	121.1
Sharp	+25,418	125.1
Stone	+6,981	164.8
Union	−46,470	97.8
Van Buren	+24,403	117.8
White	−95,384	92.8
Woodruff	−73,151	84.9
Yell	−60,933	98.6

MISSISSIPPI

Adams	+19,846	115.7
Alcorn	+37,318	109.6
Amite	+43,560	100.4
Attala	+41,810	127.7
Benton	+22,325	117.2
Bolivar	−289,328	83.8
Calhoun	+29,019	138.2
Caroll	+40,111	113.3
Chickasaw	+42,854	107.3
Choctaw	+17,451	125.7
Claiborne	+22,814	117.4
Clarke	+23,795	120.7
Clay	−33,636	90.9
Coahoma	−177,094	84.9
Copiah	+30,407	120.8
Covington	+39,669	103.4
De Soto	−82,797	98.2
Forrest	+9,391	130.6
Franklin	+17,202	119.3
George	+7,037	136.7
Greene	+5,647	145.1
Grenada	+29,889	108.9
Hancock	+416	400.0

Percentage change from 1937 county cotton quota by allotting acreage on basis of cropland on cotton farms, normal production, and number of families on cotton farms—Continued

MISSISSIPPI—continued

	1937 county cotton quota	Percent of 1937 county cotton quota
Harrison	+353	511.6
Hinds	−89,623	96.5
Holmes	+94,870	105.6
Humphreys	−92,224	88.2
Issaquena	−26,774	98.0
Itawamba	+34,804	113.8
Jackson	+374	330.2
Jasper	+34,325	109.2
Jefferson	+24,065	126.9
Jefferson Davis	+43,209	102.7
Jones	+40,684	118.7
Kemper	+42,454	110.6
Lafayette	+36,563	121.3
Lamar	+13,736	126.9
Lauderdale	+34,696	114.7
Lawrence	+30,901	101.8
Leake	+45,349	111.0
Lee	−73,208	97.4
Leflore	−170,300	83.5
Lincoln	+41,801	107.8
Lowndes	−49,234	92.8
Madison	−96,236	91.6
Marion	+38,236	107.3
Marshall	−66,915	96.5
Monroe	−80,231	91.6
Montgomery	+26,112	120.3
Neshoba	+58,182	101.1
Newton	+44,888	110.2
Noxubee	−59,527	94.3
Oktibbeha	+24,238	115.6
Panola	+90,047	100.4
Pearl River	+4,076	191.5
Perry	+7,945	124.0
Pike	+38,346	100.3
Pontotoc	+49,172	113.7
Prentiss	+40,478	107.0
Quitman	−98,955	91.8
Rankin	+31,307	119.1
Scott	+34,650	115.9
Sharkey	−56,402	98.5
Simpson	+39,061	108.4
Smith	+37,923	106.8
Stone	+1,677	181.0
Sunflower	−280,505	83.9
Tallahatchie	−117,175	87.4
Tate	+52,608	110.4
Tippah	+43,901	102.0
Tishomingo	+26,788	125.9
Tunica	−101,302	87.2
Union	+43,035	114.4
Walthall	+43,310	106.7
Warren	+20,891	107.6
Washington	−168,405	97.1
Wayne	+22,496	120.6
Webster	+28,325	100.8
Wilkinson	+18,180	129.5
Winston	+38,604	107.9
Yalobusha	+26,340	131.9
Yazoo	−105,025	97.7

Mr. BILBO. Mr. President, in connection with the charts introduced by the Senator from Tennessee, I think it is but fair to state in that connection that the percentages furnished by the Department on these charts are not in conformity to the amendment in the Senate bill as now existing. I will ask the Senator from Tennessee to state if that is true.

Mr. McKELLAR. Mr. President, it will be remembered that today, after those charts were offered, the amendment went over, and thereupon I called up Mr. White and asked him what effect the amendment of the Senator from Louisiana [Mr. OVERTON], which he had before him, had upon those figures. He replied that in some States it might have some effect, but generally it would not have the effect it was contended it would have. There seems to be quite a difference of opinion as to what Mr. White does believe about it, but he indicated to me that the figures would be changed very little, if at all, under the Overton amendment.

Mr. BILBO. Mr. President, since the conversation which the Senator from Tennessee has had with the departmental employee another Senator has conferred with him, and he admitted that there would be changes. I merely wanted those who read these charts to know that they are inaccurate and not dependable under the amendments proposed in the Senate bill.

Mr. McKELLAR. I think the Senator had better ask unanimous consent that this colloquy be put in the RECORD immediately after what was said a while ago.

Mr. BILBO. Mr. President, I ask unanimous consent that the colloquy between the Senator from Tennessee and myself be placed immediately following the introduction of the charts.

The PRESIDING OFFICER. Without objection, it is so ordered.

The clerk will state the next amendment passed over.

Mr. LEE. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. LEE. Have we perfected the cotton title, which ends on page 40, so that the substitute I desire to offer to that title would be in order?

The PRESIDENT pro tempore. That is in the cotton title, which went over. The proposed substitute would be an amendment to the cotton title, which has gone over.

The next amendment passed over is an amendment offered by the Senator from North Carolina [Mr. BAILEY], which will be stated.

The CHIEF CLERK. On page 47, after line 2, it is proposed to insert the following:

(e) In making allotments hereunder with respect to bright (flue-cured) tobacco the officers administering this act shall not reduce the quota of a farmer living on his farm and deriving his livelihood therefrom more than 10 percent of his 5-year average if such average is less than 10,000 pounds and more than 5,000 pounds, and if his 5-year average is 5,000 pounds or less his quota shall not be reduced more than 5 percent, provided in either case such farmer shall comply with the soil-conservation policy.

Mr. BAILEY. Mr. President——

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from North Carolina [Mr. BAILEY].

The amendment was agreed to.

The PRESIDENT pro tempore. The clerk will state the next amendment.

The CHIEF CLERK. On page 72, Mr. COPELAND has proposed an amendment——

Mr. COPELAND. Mr. President, may I ask first——

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. COPELAND. I yield.

Mr. BARKLEY. I thought the amendment offered by the Senator from North Carolina [Mr. BAILEY] was to be debated. I did not know that it was to be put through without any argument. I understood that the Senator from Louisiana and the Senator from Florida [Mr. PEPPER] wanted to say something about it, and I certainly wish to say something about it. I thought the Senator from North Carolina was going to argue his own amendment.

Mr. President, I ask that the vote by which the amendment of the Senator from North Carolina was agreed to be reconsidered.

The PRESIDENT pro tempore. Without objection, the vote by which the amendment of the Senator from North Carolina [Mr. BAILEY] was agreed to is reconsidered.

Mr. BAILEY. Mr. President, if I may have the attention of the Senate I shall read the amendment. I am reading the amendment first in order that it may be clearly understood, and, second, that I may show the changes from the amendment as originally introduced. The amendment reads as follows:

(e) In making allotments hereunder with respect to bright (flue-cured) tobacco the officers administering this act shall not reduce the quota of a farmer living on his farm and deriving his livelihood therefrom more than 10 percent of his 5-year average if such average is less than 10,000 pounds and more than 5,000 pounds, and if his 5-year average is 5,000 pounds or less his quota shall not be reduced more than 5 percent, provided in either case such farmer shall comply with the soil-conservation policy.

The changes are three. I define tobacco with the words "bright (flue-cured)", so as to confine it to Virginia, North Carolina, South Carolina, and Georgia, bright (flue-cured)

tobacco, which is used very largely in the making of cigarettes.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. PEPPER. Did I understand the Senator correctly to include flue-cured tobacco in his statement?

Mr. BAILEY. Yes; that is what it does include.

Mr. PEPPER. Then did I understand the Senator correctly to exclude the State of Florida as a producer of that kind of tobacco?

Mr. BAILEY. I will agree to including Florida. I beg the Senator's pardon. Florida has 13,000 acres, and we made special provision the other day by which those Florida acres would not be cut. Florida, in the matter of the State allotments, is precisely where I want to put the small farmer. If it was just to do what we did for Florida the other day, then it is exactly just to do the same thing for the small farmer.

I had placed the figure at 15,000 pounds. I have cut it to 10,000 pounds. Then where first I had placed the second figure at 10,000 pounds I have now cut it to 5,000 pounds. So the bill relates only to those farmers who in the first case produced not more than 10,000 pounds of tobacco a year. In the second case it relates in the 5-percent bracket only to those farmers producing 5,000 pounds and less per year.

Why do I do this Mr. President? I do it because I think it is essentially unfair, unjust, and unwise to place a horizontal cut on the quotas of all the farmers, and treat the little fellow on the same percentage basis that we treat the big fellow. That is, on the basis that a man with 50,000 pounds allotment, or a man with 100,000 pounds allotment can stand a 20-percent cut, but a farmer with 5,000 pounds cannot stand a 20-percent cut. I put the latter in the 5-percent bracket. The farmer in the 10,000-pound class cannot stand a cut of 2,000 pounds. I put him in the 10-percent bracket so he will take a cut of only a thousand pounds.

I submit that to the Senate in the first place as a matter of ordinary, merciful, just consideration for the small farmers.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. SMITH. Those not familiar with this character of tobacco perhaps do not realize that to grow 10,000 pounds would only take about 10 acres. A barn will cure about 5 acres of tobacco. So that whenever the farmer's quota is reduced below a barn it has been made entirely unprofitable for that farmer to plant and cure tobacco. I wish those Senators who are not familiar with the flue-cured process to know that a barn will take a maximum of 5 acres, and the average is around about from 800 to 1,000 pounds.

Mr. BAILEY. And a 20-percent cut on a farmer producing 10,000 pounds is a cut to the bone.

Mr. SMITH. That is correct.

Mr. BAILEY. A 20-percent cut on the farmer producing 100,000 pounds is not a cut to the bone. I have confined the amendment to farmers living on the farm and making their living thereby. I ask the Senate: Is it right for some man to live in a city with a 100,000-pound allotment and be cut, let us say, 20 percent, while here is a little man out in the woods who is making a living and trying to take care of his wife and children, and he has to be cut in the same way? As the bill stands that is exactly what happens.

Mr. PEPPER. Mr. President, will the Senator yield to me for a question?

Mr. BAILEY. I yield.

Mr. PEPPER. To go back just a moment. I ask the Senator, did the Senator from South Carolina state that a barn was about 5 acres of flue-cured tobacco?

Mr. BAILEY. I understand what a barn is. About 700 or 800 pounds of tobacco can be cured in one barn at one time. That process can be repeated three or four times a year. Four times 800 is 3,200 pounds to the barn, if the farmer cures tobacco four times in a year. If he cures tobacco three times a barn is 2,400 pounds. But I will say to the Senator that we put the limitation of 3,200 pounds in the bill on the theory that a farmer with 5 acres and one barn, or 4 acres and one barn, would have his barn occupied. That would give him full play to his little capital investment. So the 3,200 pounds is the standard fixed in the bill.

Mr. PEPPER. And perhaps 4 acres to a barn. Will the Senator yield for another question?

Mr. BAILEY. I yield.

Mr. PEPPER. The amendment which the Senator proposes is designed, as he states, to take care of the little farmer who must live on the farm and make his living from it. Does the Senator mean that he is trying to protect the class which with its own hands produces this tobacco, or is it merely the proprietor of the farm which is to this extent——

Mr. BAILEY. Mr. President, if the Senator will read the amendment he will find that it says "Of a farmer living on his farm and deriving his livelihood therefrom."

Mr. PEPPER. Does the Senator refer to a proprietor of a farm?

Mr. BAILEY. No; but to a farmer living on his farm. Whether he is a proprietor or not, he is a farmer living on his farm.

Mr. PEPPER. I am trying to get at the question, as the Senator may surmise, whether he is covering the fellow who is a proprietor——

Mr. BAILEY. No; I am not having the proprietor——

Mr. PEPPER. I beg the Senator's pardon. Will the Senator permit me to state the question?

Mr. BAILEY. I do not see how the Senator can be under any misapprehension. The language is clear, "A farmer living on his farm."

He does not have to own the land he is living on, but he must be cultivating it for a living.

Mr. PEPPER. The Senator will know the purpose for which I am injecting the question. What I am referring to is the position of the tenant farmer.

Mr. BAILEY. I am trying to protect the tenant farmer.

Mr. PEPPER. Mr. President, that is the reason I propounded the inquiry because I, too, am vitally interested in the tenant farmer, and I wonder if the Senator appreciates the effect that his amendment will have on the tenant farmer?

Mr. BAILEY. I take it I appreciate it. I think it will give him a chance.

Mr. BARKLEY. Mr. President——

The PRESIDING OFFICER (Mr. SCHWELLENBACH in the chair). Does the Senator from North Carolina yield to the Senator from Kentucky?

Mr. BAILEY. I yield.

Mr. BARKLEY. The average farmer cannot produce by his own labor more than four or five acres of tobacco. He cannot cultivate it or go through the process which is necessary, all of which is hand work practically; so that if a man owned a farm on which he had 10 acres and which he wished to be cultivated in tobacco, and rented out one-half of it to a tenant——

Mr. BAILEY. Mr. President, let me say a word, please. I do not want to deprive the leader of the chance to speak, but I do not want my 15 minutes to be used up. Go right ahead. I will answer.

Mr. BARKLEY. I do not want to consume the Senator's 15 minutes. But what effect would the Senator's amendment have on a tenant who had rented 5 acres of land from the owner, and the owner himself cultivated another 5 acres?

Mr. BAILEY. What effect would it have on the tenant?

Mr. BARKLEY. On the tenant; yes.

Mr. BAILEY. If the tenant produced 10,000 pounds he would be cut 10 percent. If he produced 5,000 pounds he would be cut 5 percent.

Mr. BARKLEY. He would not be living on his own farm under the terms of this amendment?

Mr. BAILEY. I said, "living on his farm," and who earned his livelihood therefrom. I do not mean living by way of possession. He lives on the farm. If it is desired to strike out the word "his" and put the word "the" in there, very well, if that would make it clearer. But I do not

see any trouble about that language, "A farmer living on his farm."

There is the possession of the farm rather than the property.

Mr. PEPPER. Mr. President——

Mr. BAILEY. I am going to yield when I make my next point, Mr. President. I am sorry, but I do not want to have my time expire before I shall have concluded.

Here is the next point, and I am going to make this in all the solemnity of understanding that time will show that I am either right or wrong. When this bill passes it is going to cost the tobacco farmers of North Carolina next year about $25,000,000. Their income will be $25,000,000 less. The facts are very simple. We produced this year 569,000,000 pounds of tobacco, and we got 25 and a fraction cents a pound for that tobacco. It is in contemplation that the quota shall be based on the 5-year average. If it is based on the 5-year average North Carolina's quota would be 507,000,000 pounds. The quota for the United States is 723,000,000 pounds. North Carolina's quota would be 507,000,000 pounds. There would be a reduction there alone of 62,000,000 pounds of tobacco. Count that at 25 cents a pound. It is about $15,000,000. If that loss takes place, who shall foot the bill? Shall it be placed on the little fellow, or shall it be placed on the man able to pay it?

Let us go further. If we have the 20-percent cut contemplated in this bill and provided as a possibility in the discretion of the people who make the allotments, the allotment to North Carolina would be on the 80-percent base; it would be 468,000,000. There is a difference of 100,000,000 pounds of tobacco. And the 100,000,000 pounds of tobacco, at 25 cents a pound, is $25,000,000.

Are we going to put the burden of that $25,000,000 equally on the little fellow with 5,000 pounds and the big fellow with a million pounds? There is at least one man in North Carolina who has a million pounds allotment. I know many of them who have 50,000, 60,000, 70,000, 100,000, and 200,000 and 300,000 pound allotments.

When we come to that there is an element of justice and also an element of preserving the people. Suppose we cut the allotment——

The PRESIDING OFFICER. The Senator's time on the amendment has expired.

Mr. BAILEY. I will take my time on the bill. Suppose we cut the allotment and then the price goes down. What has happened to the little man?

The price is much higher than it has been. Tobacco did sell at 8, 9, 10, 11, and 12 cents. This year it is selling for 26, 25 and a fraction. We do not know about the price next year; I cannot tell about it. There are those who think the price depends on the domestic market. I am telling you that North Carolina ships abroad 60 percent of her production. We cannot control that foreign market. They are buying our seed; they are trying to duplicate our tobacco; and when they do not duplicate the tobacco, they undertake to produce substitutes for it. Now draw your picture of your Democratic Party going back to North Carolina next year and answering to 125,000 tobacco farmers whose allotment has been cut, and whose prices have gone down, and whose income has been reduced by from twelve to thirty or forty million dollars in the year.

The same thing is true of cotton. Under this bill North Carolina will not be allowed to produce exceeding 450,000 bales of cotton. She produced this year 700,000 bales. Take that at the present price, 250,000 bales of cotton, at $40 a bale, is $10,000,000. That is what we have before us in this legislation.

I was very much taken just now with the colloquy between the junior Senator from Arkansas [Mr. MILLER] and the senior Senator from Tennessee [Mr. MCKELLAR]. Something was said about an amendment. The junior Senator from Arkansas said, "Well, that just adds a little more to the mystery of this bill—a little more to the general mystery." Then the senior Senator from Tennessee said, "I was just wondering what would happen to Tennessee."

I think those two statements perfectly describe my position. I stand in the presence of a very mysterious bill. I do not know what its consequences are going to be. I do not imagine it is going to put the price of tobacco above 26 cents. I know that it provides for reducing the crop by from 60,000,000 to 100,000,000 pounds. I do not want that burden to be pressed down upon the little farmers of my State; and I will say, above that, that I know the big farmers are influential. I know that we can hear them. I know that they can come to Washington. I know that they can sit in the galleries. I know that they can call on Senators. I also know that down in that part of the country are hundreds of thousands of poor fellows who live the life of tenants on the farms. They are not often heard from, but they will be heard from. They will not be crushed to earth forever. They will be heard from, and they will throw out of power a Congress that disregards their right to live.

So I say, Mr. President, they are the considerations here. I do not think the bill is constitutional, but I am afraid it will stay in effect a year, and that is all I am afraid of. I think the men who drew this bill, with all due respect to them, disregarded every opinion of the Supreme Court from its foundation to the present hour. Before this debate is over I expect to read some of those opinions. I am not afraid about the ultimate economic consequences of this bill. It will go the way of the Bankhead Act. It has everything in it that the Bankhead Act had in it too.

The idea of our undertaking to control agriculture by penalties upon interstate commerce. I am not troubled about that. This bill will last a year. While it is lasting that year, I am simply asking the Senate to adopt an amendment that will prevent hardship from being wrought on the 10,000-pound tobacco farmer and the 5,000-pound tobacco farmer.

Mr. President, I did not intend to take my full time today. My time was taken up by an effort to answer questions. I am ready now to answer any questions, because I do have 45 minutes; and if the Senator from Florida [Mr. PEPPER] wishes to ask me a question now, I shall be glad to respond.

Mr. PEPPER. Mr. President, the Senator from North Carolina referred to the proprietor of a large plantation in his State who had a large allotment of tobacco. I am interested to know the means by which he cultivated that tobacco.

Mr. BAILEY. I will tell the Senator. I was down here at the Agricultural Department 2 years ago discussing the A. A. A., and there was a gentleman there who was taking a great hand in the discussion. His hands were as soft as a Senator's. There was not a line on his face. He had on a tailor-made suit and a bright necktie. I asked him a very simple question. I said, "You are very much interested in this control, are you not?" He said, "Yes." I said, "What is your allotment?" He said, "My allotment is a million pounds." Tobacco sold that year at about 27 to 28 cents. I said, "You must have got $275,000." He said, "I got $300,000 out of it, and then I got some benefit payments besides."

That man never plowed. He never bought any land. His father was a time merchant, and he had sold out 96 North Carolina farms and handed them down to his children. I am saying that that sort of man ought not to write this legislation. I have nothing on earth against him. I would tell anybody he was a good fellow, and all that; but I am standing here, Mr. President, and asking that Congress adopt a policy in this coercive and control legislation—and we all know it is coercive, and we all know it is control—a policy that will show a little mercy for hundreds of thousands of persons who cannot speak for themselves.

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina further yield to the Senator from Florida?

Mr. BAILEY. I do.

Mr. PEPPER. I am afraid I did not make myself clear to the Senator.

Mr. BAILEY. I understood the Senator.

Mr. PEPPER. I am still talking about the tenant farmer. I want to know whether or not the man with soft hands the Senator had in mind used sharecroppers.

Mr. BAILEY. Some are sharecroppers, some are fixed-rent tenants; but I do not think I have made the Senator see my point. If you let the landlord get over 10,000 pounds from 40 tenants, he will take the big cut. If you let the little tenant make only 5,000 pounds, he takes the 5-percent cut. If you let him make 10,000 pounds, he takes the 10-percent cut. There is not any question about that.

Mr. PEPPER. One more question. If tobacco is a crop which is produced by farm families—that is to say, frequently by sharecroppers—and if we reduce the quantity of the plantation yield, does it not inevitably follow that the yield and the quota of the little sharecropper will be diminished?

Mr. BAILEY. I do not think so.

Mr. PEPPER. Then my premise is not correct.

Mr. BAILEY. Under this bill, if a man has been producing less than 3,200 pounds, he is not allowed to produce up to 3,200 pounds. If he has been producing only a thousand pounds, he is not allowed to produce 1,100 pounds. That is what we are dealing with; but I am saying that if, by some favor of Nature, the poor fellow does manage to produce 5,000 pounds, the penalty of the law imposed by the Congress should not be put upon him by way of taking the "pound of flesh."

Mr. PEPPER. Mr. President, will the Senator yield for one further question?

Mr. BAILEY. Yes.

Mr. PEPPER. The amendment of the Senator from North Carolina would benefit only those who have been engaged in tobacco production for a 10-year period, would it not?

Mr. BAILEY. Whatever the bill says about that. I know the bill says nobody else may produce tobacco; but I am dealing with the folks who, by the merciful providence of the United States Government, are permitted to produce tobacco. If I could have it the other way I would have it the other way, if that is what the Senator is driving at.

Mr. PEPPER. The bill, of course, now contains a provision for 5 percent of the national quota being apportioned to new producers.

Mr. BAILEY. Five percent; and all of that will go to Florida under the bill.

Mr. PEPPER. There is no such assurance given to the new producer as this amendment gives to the old producer that his quota shall be reduced only 10 or 5 percent; but the fellow who has been producing tobacco for 10 years, and has a 10-year average, is the fellow the Senator from North Carolina is protecting.

Mr. BAILEY. I am trying to protect the fellow who does not produce more than 5,000 pounds in the matter of 5 percent, and the man who produces only 10,000 pounds in the matter of 10 percent; and no amount of questioning or confusing can obscure that fact. I know it is said that that will ruin the program, and I also know who is saying it. It does not ruin the program and it will not ruin the program for the big ones, but it probably will impose upon the larger farmers a 20-percent cut, and that is all. I am just saying that as between 20-percent cut on the big farmer, and 5 percent on the little one, and 10 percent on the 10,000-pound farmer, the gradation is fair.

Mr. PEPPER. Mr. President, will the Senator further yield?

Mr. BAILEY. I yield.

Mr. PEPPER. If the Senator is interested only in the class of the farmer—that is to say, the big one and the little one—and his sympathies are with the little one, would the Senator be willing to delete the 10-year average and let the year 1937 be the criterion?

Mr. BAILEY. No; I am unwilling to do that, and I am unwilling to have it said that I am in sympathy only with the little farmer. I think the Senator will bear witness that I have not indulged in any demagogic talk in the 6 years I have been a Member of the Senate. I never got up here and made pleas for the great masses of people in order to get votes. I have at times voted contrary to what I knew they were demanding. I am not putting this argument on the basis of the little farmer by way of any sentimental or any political appeal. I would not do that. I know very well that when the news gets down to them tomorrow of what I say today it will be carried by people who will tell them that "BAILEY was up here ruining them." I do not think I will get any votes by it. If I wanted to cultivate favor in this matter, I would probably take the other side, but I am not after favors. I am demanding justice. I, of course, see what is going to happen. I am not going to argue the matter on political grounds either, but I could argue it on political grounds.

Mr. President, that is all I care to say at this time about this matter. When we come to the period of unlimited debate, I do hope to explain to the Senate my reasons for saying that this bill is unconstitutional, and flies in the face of every decision of the Supreme Court of the United States from the day when George Washington made the first appointment until the last one was made.

Mr. ANDREWS. Mr. President, will the Senator permit an interruption?

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Florida?

Mr. BAILEY. I do.

Mr. ANDREWS. In order to make the language perfectly clear as to the tenant, the sharecropper, and the owner, would the Senator object to amending his amendment——

Mr. BAILEY. I shall not object to any amendment on earth that will save the 10,000-pound farmer who lives on his land and the 5,000-pound farmer who lives on his land. I am not caring about the words. What is the amendment?

Mr. ANDREWS. In line 4, after the word "farm", to insert the following:

Either as a tenant, sharecropper, or as owner.

Mr. BAILEY. I will gladly accept it.

Mr. GEORGE. Mr. President, I desire to remind the Senator from North Carolina, and the other Senators who seem to be interested in this particular question, that the Department takes ample care of the farmer—whether he is a tenant, a sharecropper, a renter, or whatever his status is—in the distribution of all payments and in all allocations or allotments. In my judgment there is no necessity for the amendment which the distinguished Senator from Florida has suggested, because that matter is covered by regulations, and the Department has worked it our certainly to the point where there can be no complaint so far as the tenant or sharecropper is concerned.

Mr. BAILEY. That is all right, but I am willing to accept it. Now let me go ahead.

Mr. ANDREWS. Mr. President, just a moment.

Mr. BAILEY. All right; I yield.

Mr. ANDREWS. This bill has been amended and reamended so many times that I, for one, should like to see it in print before it is voted upon, because I certainly should like to know what I am voting upon; and if this provision is not in some other portion of the bill I should like to see it put right in here if this amendment is to be adopted.

Mr. BAILEY. Mr. President, I did not intend to go into any speech on the bill, but I wish to do so now, in the interest of fairness. I want to use the time I have on the bill. How much time have I taken?

The PRESIDING OFFICER. The Senator has 15 minutes more.

Mr. BAILEY. I am going to ask the Senate to hear me while I read what a man wrote down in the Agricultural Department about the farmers. It is from a book by the man who is known in the press as Mr. Jay Franklin. I think his real name is Jay Franklin Carter. Let us see what he was saying about the farmer and what is his attitude about the

farmer, as shown in his book entitled "What We Are About to Receive."

Ten million votes—

Wrote Mr. Franklin, on page 141—

await the man who tells the American farmer that he is the salt of the earth, the backbone of the Nation, and the chief object of political agitation. Fifteen million votes await the man who has the nerve to tell the American farmer to go to hell.

Remember, that man was employed in the Department of Agriculture and was Director of Information in 1932 and in the Rural Resettlement Administration under Mr. Tugwell.

Mr. BARKLEY. Mr. President, if it was in 1932 it was not under Mr. Tugwell nor under the Resettlement Administration.

Mr. BAILEY. I got the date wrong. He was under Mr. Tugwell in 1935–36, but he wrote this book in 1932. Let me read further what he said:

If there was ever an individual who has been inflated monstrously out of proportion to his real importance, it is the man with the hoe who has been flattered by the politician with the hokum. * * * He has made an unmade president in the image of Main Street, he has exhausted our soil as he will exhaust our Treasury if given half a chance. He is the great obstacle to human progress, the great threat to political stability. Sooner or later, we shall discover—as the Roman Church discovered, as England discovered, as Soviet Russia discovered—that the pagan, the landed proprietor, the kulak, is simply so much mud in the path of progress and must be swept aside if society is to advance.

That is from a man who was employed in the Department of Agriculture in 1935–36. That is from a man who writes a column which is published in the newspapers every day and who is a great evangel and defender of the New Deal.

Mr. BORAH. Mr. President, I did not understand from whom the Senator is quoting?

Mr. BAILEY. Jay Franklin. The Senator perhaps sees his name in the paper every day. This occurs in Mr. Walter Lippmann's column in the Citizen, of Asheville, N. C., on December 2, and anybody who wishes to know about the book should get and read it. That is the kind of man with whom we are dealing.

I wish to say to the farmers that they are wrong in their thought that they can have this kind of legislation and stop with it. It is an effort to control production, so that penalties can be put upon the shipment of agriculture produced and sent in commerce or in competition with such produce, and thereby determine quotas, what may be planted and what may not be planted, and under that same power to restrict and fix, under a fair application of it, the wages paid on every farm in America, and also the hours of work.

Of course, that can be done. The regulation of one is the regulation of the other. If the commerce clause authorizes dividing the farms of America into little plots, saying to the farmer, "You can plant tobacco but you cannot plant wheat; you can raise 3,000 pounds and this other man can raise 25,000 pounds," that same power will run right into the power to say "You must pay your workers this wage and that wage." If Senators think that is not in view let me read precisely what the Secretary of Agriculture stated in his report in 1937, at page 40:

Marketing agreements sponsored by the Department afford a chance to improve the conditions of agricultural labor. There appears to be legal authority for including in such agreements minimum standards affecting pay and working hours. Such provisions may make the agreements more difficult to administer. They provide a means, however, of eliminating serious evils, such as child labor and excessively long hours, not only in processing and packing plants but in certain agricultural operations. Also, they may touch the question of sanitation in working conditions.

I am not saying there is not room for infinite improvement in all these matters, but I am notifying the Congress and the farmers of America that the power invoked in this bill, if upheld by the Supreme Court of the United States, will run precisely into the regulation which the Secretary of Agriculture has pictured for us. He said further:

It may be possible to include certain requirements in adjustment and agricultural conservation programs as a condition to the payment of benefits by the Federal Government. Such requirements might advance materially the welfare of agricultural laborers simultaneously with that of employing farmers. When farmers generally establish certain conditions favorable to their employed workers the whole industry benefits and no competitive disadvantage falls on any of its members. Another possibility presents itself in connection with the loans that the Farm Security Administration makes through agricultural cooperatives. These loans require certain minimum standards covering employment and the application of the principle might be extended.

All I am saying is that when this door of control of agricultural operations is opened by such an application of the interstate-commerce clause and the imposition of penalties upon shipments, which constitute the sale, of agricultural products, because the bill relates to intrastate as well as interstate shipments—when that door is opened the farmers of America are going to be confronted with the next step, unless the Supreme Court of the United States saves us, of a wage and hour bill involving entire and complete regulation.

But as long as the Supreme Court stands—God defend us against the day when it fails—God defend us against the day when it takes on anything like the color of a kloncillium—as long as the Supreme Court is what it always has been, legislation like this will be returned to the Congress with the words on it, "No power."

I am looking forward to the time when the farmers themselves, instead of protesting, will be thanking heaven that there is a tribunal of justice which can say to the Federal bureaus and to the Federal Government, "You shall not interfere with our rights."

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from North Carolina yield to the Senator from Florida?

Mr. BAILEY. I yield.

Mr. PEPPER. Are the powers which the Senator fears in the statement just made already vested in the several States?

Mr. BAILEY. I think so.

Mr. PEPPER. And have they been exercised to the ruin of such States?

Mr. BAILEY. They have not, and they never will be.

Mr. PEPPER. Does it follow inevitably, therefore, that if this power ever comes to be recognized in the Congress, that that of itself will ruin the country?

Mr. BAILEY. The matter of the people of North Carolina controlling the Congress of the United States is a very far-fetched matter. North Carolina has in the Congress 13 Members out of 535. However, the matter of the people of North Carolina controlling the Legislature of North Carolina is a very simple matter. We have one member from each county, elected every 2 years, living amongst the people and answering to them. That is the heart of American democracy.

I am perfectly willing to put the whole welfare power in the States, knowing very well that the people themselves control it according to their needs. I am unwilling to put the welfare power or the great police power, as it is called, in the Federal Government, knowing very well that it cannot be controlled. We know it is not being controlled now. We have a perfect illustration of that statement.

I should like to get that matter straightened out. That is the thing that has saved this Republic these 150 years. The Republic would have gone on the rocks 75 or perhaps 100 years ago but for that great principle of local self-government represented in the words we call "State rights," home rule in America and not congressional rule; home rule in America by members of the legislature answering to their people every 2 years, and not by a Congress in which North Carolina has only the feeble voices of 2 Senators and 11 Members of the House.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BAILEY. I yield.

Mr. PEPPER. Home rule, as the Senator defines it, is restricted to what category and what cases?

Mr. BAILEY. Does the Senator ask that question? The whole police power of America is under the category of home rule. Many people do not know what police power is. The

police power is not the power of a policeman. The police power is the welfare power. The police power is the great operation of the people themselves through their sovereignty for their welfare.

Mr. ASHURST rose.

Mr. BAILEY. Let me finish this definition before I yield to the Senator from Arizona. That police power, from the foundation of this Government, was committed to the States because the fathers wanted the people who were to be governed by it to control it. Transfer it to the Congress, and I will tell the people of North Carolina and I will tell the people of every State in the Union that their control is gone, and gone forever.

I now yield to the Senator from Arizona.

Mr. ASHURST. Whoever first used the term "police power" was unfortunate. "Police power" means sovereign power in the law.

Mr. BAILEY. I just said so in other words. It is the welfare power, the power to control the activities of the people with a view to their health, their dealings with one another, their contractual rights, their operations in business. All of that is the welfare power and it is the sovereign power, and was reposed from the beginning in the States, the wisest thing the fathers of the country ever did. It was retained in the States in the first place, and when there arose some question as to the express powers in the Constitution, the enumeration of powers in the Constitution, the tenth amendment was adopted in order to give assurance that the powers reserved to the States would not be taken away.

My State of North Carolina did not ratify the Constitution the first time it was submitted. They did not ratify the Constitution until the Congress had submitted the tenth amendment. Then we came in because we knew our rights were secured. Yet we have arrived at a time when the Federal Government would lay its hands upon those rights, day after day and night after night.

That is my objection to this legislation. That is the ground of its unconstitutionality. Let Senators read the cases.

I say to the Senate that the dissenting opinion in the A. A. A. case denounces this legislation. I mean by that that Mr. Justice Stone, Mr. Justice Cardozo, and Mr. Justice Brandeis uttered words in it which indicated that this sort of legislation would be held unconstitutional. There is only one man on the Court, according to the record—and that is all I can go by—who might sustain legislation of this sort, and I need not mention his name.

The PRESIDING OFFICER. The time of the Senator has expired.

Mr. PEPPER. Mr. President, I cannot resist the opportunity to say merely that it was not a Democrat, it was John Marshall, who made this one Central Government and one sovereignty throughout the limits of territorial United States; and from the day he assumed that point of view the inevitable objection of the Senator from North Carolina was constantly to arise. It was not the constitutional forefathers who wrote the language of the American Constitution but those who have criticized and who have interpreted that language, who have defined the reservation of power in the several States to which the Senator so vaguely and generally refers.

If those reservations were defined in one generation, they would have a given content; if they were defined in a succeeding generation, they would have a different content, because changing conditions and changing circumstances face governmental responsibility with new obligations. The same argument now being made about the farm bill might have been made about the Interstate Commerce Commission, about the Federal Trade Commission, about the exercise of any other general power necessary to accomplish the general good and to promote the general welfare.

Mr. KING. Mr. President, will the Senator yield for a question?

Mr. PEPPER. I yield.

Mr. KING. As I interpret the observation of the Senator from Florida, I reach the conclusion that he believes that all the police powers, the sovereign powers, to use the expression of my friend from Arizona, are vested in the Federal Government, and that the States are mere parasitic growths attached to the Federal Government, doing only what the Federal Government, under this plenary power which the Senator is contending for, if I understand him, allows them to do.

Mr. PEPPER. Mr. President, I am glad the able Senator from Utah gives me an opportunity to erase any possible misunderstanding from any Senator's mind. I approach the matter exactly from the other direction, that the keystone of the governmental arch is the State, but that there has of necessity come about such an amalgamation of our population, such an entity of our people, that we have come to face the necessity of dealing with certain things from a national point of view; that there are certain things in our life, economic, social, and political, which have a national and not a purely local significance, and that the local power is incapable of serving the public good in all those categories.

Senators speak about the police power. Why do we have a Federal Bureau of Investigation? Let us suppose that in a county in my State a kidnaping may occur.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. PEPPER. Why not leave it to the chief of police of the little town or the sheriff of the county to go to Chicago and break up the gang of kidnapers, and bring back, if prayers and diligence can do it, the kidnaped child?

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. PEPPER. In just a moment. We came to the conclusion that the local authority was no longer capable of dealing with that national problem, that it had to be dealt with by the only power that was capable of dealing with it, the national power, and that is what I mean when I refer to the expansion of the police power, and vesting a degree of it in the Federal Government.

Mr. BAILEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from North Carolina?

Mr. PEPPER. I gladly yield.

Mr. BAILEY. The Senator has fallen into just the confusion against which I undertook to warn him. The Federal Bureau of Investigation is the power of the police; it is not the police power. It is possible to bring the power of the police into the execution and administration of any Federal law, but the words "police power" relate to welfare.

Let us get the Senator's theory. All legislation must relate to welfare. Kidnaping legislation relates to welfare. It brings in the exercise of the power of the police, and it may be called the police power. But follow very carefully. The kidnaping law is based upon interstate commerce, by having it apply to kidnapers when they take a kidnaped person across the line, and then, in order to give the law more far-reaching effect, it is provided that if a kidnaped person shall not have been found within 10 days, it shall be presumed that he has been carried across a State line, and the Federal police power, or power of the police, goes out to find him. There is a plain application of the commerce clause and the power over commerce between the States. That is far removed from the proposed legislation, as far as the North Pole is from the South.

Mr. PEPPER. The Senator is equally familiar with the Minnesota Rate case, which was a case where the intrastate rates of carriers were affected by the national power, because their effect is so intimately related to the national right and duty to regulate those carriers.

Mr. BAILEY. Mr. President, let me get the facts straight. A rate case relates to the means of transportation in the country, and the court has been holding for 20 or 30 years that the means of transportation are so interlocked that even an intrastate rate is controllable by the Federal Government in the interest of commerce between the States. That is very familiar. But that does not raise any presumption of the power to control the farmer down in Wake County because cotton is sold across the sea or in Maine.

Mr. PEPPER. Mr. President, the Constitution vests in the Congress the power to regulate interstate commerce,

which means even to prohibit it, if the literal content of the word is properly given.

But to proceed to the particular amendment now pending. The Senator has carefully underemphasized the fact that the amendment gives protection, not to the little fellow, but to the fellow who has been producing tobacco for 10 years, and has a 10-year average. Therefore he is not speaking for the little fellow in Florida, who does not have a 10-year average.

Mr. BAILEY. Mr. President, will the Senator let me interrupt him at that point?

Mr. PEPPER. I am glad to.

Mr. BAILEY. I was inadvertent to the fact that Florida had come into the field so recently. If the Senator will adopt the principle of my amendment for his State, he can make it apply to the last year. I do not raise any question about that. If that meets the objection of the Senator, I will be happy to do that. Just let the Senator write his amendment, and say "And with regard to Florida, it shall be the average for 1936."

Mr. PEPPER. I thought the Senator from North Carolina was just a few days ago refusing to mention any particular State, Florida, particularly, when mentioned in my amendment.

Mr. BAILEY. If I agree to that, will not the Senator support the amendment?

Mr. PEPPER. I will not, unless some other objections to the amendment may also be met.

Mr. BAILEY. Then why did the Senator raise the objection? The Senator raised the objection, not in the interest of Florida, but only in the interest of making a little trouble here about the bill.

Mr. PEPPER. If the Senator will meet the other points of objection to the amendment as well as that point of objection, I will be glad to support the amendment.

The second point of objection is that the statistics show that 55 percent of the farms are those upon which 10,000 pounds of tobacco per year, or less, are produced in this country. The Senator did not seem to be anxious to go into the question of the tenant farmer.

Mr. BAILEY. Mr. President, will the Senator yield? The Senator interrupted me, and will he yield?

Mr. PEPPER. I yield.

Mr. BAILEY. I am perfectly willing to go into the tenant farmer matter, and I thought I went into it at some length, but I will go just as far as the Senator will to protect the tenant.

While I am on my feet, let me ask, since the Senator mentioned kidnaping, how does the Senator stand on the antilynching bill?

Mr. PEPPER. I remain opposed to the antilynching bill.

Mr. BAILEY. The Senator does not think it is unconstitutional?

Mr. PEPPER. I am speaking about the exercise of the Federal power, and how it should be exercised.

Mr. BAILEY. The Senator will argue that the antilynching bill is a constitutional measure because the Federal Government does have the power?

Mr. PEPPER. Mr. President, I do not see that there is anything in the antilynching bill about crossing State lines that comes clearly within the terms of the commerce clause, or any Federal power which is defined in the Constitution. If so, where is it? That is not analogous to the situation under the farm bill. The produce from the farm goes into the channels of interstate commerce, and the Congress, legislating for the national power, tries to purify and to perfect the channels of interstate commerce by proper legislation. That is a different situation from going entirely within the confines of a given State and attempting to take jurisdiction of a given act of a local nature.

I was speaking about the tenant farmer, about whom the Senator from North Carolina is still not particular in his interest. I suggest that if he admitted, as a premise, that tobacco is produced on about 4 acres by the individual farmer, the Senator is not talking about the little farmer who produces a crop of tobacco with his own hands. If he were, he would be satisfied with the amendments already in the bill, because there is already in the bill a provision that the individual farmer who has been producing as much as 3,200 pounds a year, which means a 4-acre crop, which means one barn, shall not have his quota diminished at all. So that if the Senator is trying to protect the little fellow, he will let the bill alone.

The inevitable consequence of the amendment, therefore, will be to provide that the tenant farmers of this country will have their quotas reduced to a figure to which the proprietor will not have his quota reduced.

The gentlemen with soft hands, about whom the Senator speaks, does not produce a million pounds of tobacco with those soft hands of his. He has his sharecroppers, who live with their families and who till the 4-acre crops of tobacco, and the Senator knows that the inevitable effect of his amendment would be either one of two things, either to defeat the whole principle of the bill, and to have no reduction in quota at all, or else to take the reduction in quota factually and actually from the tenant farms of the tobacco-producing sections of this country; or, in the third place, he will make it a matter of impossibility for the new producers in Alabama and Florida and the other States who want to go into tobacco production to be able to get the 5 percent of the national quota which we have, by my amendment, provided for them so that they may embark anew upon tobacco production.

Mr. President, these are the facts. If the Senator will explain to us how we may still accomplish the purpose of the bill, namely, make it possible to reduce production to a point practically equivalent to the market, and if he will assure us that his amendment will not diminish the quantity the bill now carries for new producers the country over, whether in a State that has the tobacco quota or not, and if he will show us how the tenant farmer would not be adversely affected by the amendment, and if he will not restrict the benefits of his amendment to the man who has a 10-year history, but will bring it down to 1937, I will gladly favor the amendment.

Mr. BARKLEY. Mr. President——

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. PEPPER. I yield the floor.

Mr. BAILEY. I have no right to speak, having exhausted my time, but the Senator challenged me to explain, and I have no time of my own.

Mr. BARKLEY. If the Senator from Florida has any additional time, I would be glad to let the Senator from North Carolina use it if the Senator from Florida is willing to yield.

The PRESIDING OFFICER. The Senator from Florida has 1 minute left.

Mr. BAILEY. May I not take that 1 minute to answer the Senator's question?

The PRESIDING OFFICER. Does the Senator from Florida yield to the Senator from North Carolina so that he may answer the question?

Mr. PEPPER. I am glad to yield the time.

Mr. BAILEY. The Senator asked me whether the amendment would not destroy the bill. The amendment provides that if there is a desire to cut the production of bright tobacco, for a 20-percent cut all through the ranges above 10,000 pounds, a 10-percent cut under the 10,000, and then a 5-percent cut. Under my amendment it will be possible very readily to reduce the quotas of tobacco for the people in the bright belt by an average of 16 or 17 percent, I should say, and that is abundant.

My amendment would not defeat the purpose of the bill at all, it would not adversely affect the bill. My amendment does say to the man who is getting fifty, sixty, seventy, or a hundred thousand pound allotment, "If a reduction is to be had, you must stand for 20 percent of it," and then it says to the little man, "If a reduction must be had and you produce 10,000 pounds, or over 5,000, you take a reduction of 10 percent," and then to the other man, with 5,000, only 5 percent.

Mr. President, that sort of consideration is not going to harm the bill, it is going to help it, and it is going to help the Congress if we pass it.

I thank the Senator for giving me the opportunity to make this final statement.

Mr. BARKLEY. Mr. President, during the 15 minutes allowed me on this amendment I shall not discuss either the constitutionality of the bill, the antilynching bill, or any other bill or proposal except the amendment offered by the Senator from North Carolina [Mr. BAILEY], because I do not wish to make any remarks whatever on the bill itself at this time.

Mr. President, I am opposed to this amendment because I think any program of crop regulation in order to be effective, in order to be of any benefit to those who are a part of it, must, by and large, apply to all producers of the same product in the same manner.

I know nothing about a million pound tobacco grower. I never saw one, and we do not have any of them in my part of the country. If there is a million pound grower of tobacco anywhere he becomes a million pound grower either because he is able to hire hands who can on the average cultivate about 4 acres of tobacco, or he rents out his land to tenant farmers who can cultivate it in about the same proportion.

I know all about the production of tobacco. I was reared in a community of little farmers; and, as I said the other day, my own father all his life was a producer of tobacco and a little farmer. When I became old enough or large enough to throw an ax over my shoulder I went out with him into the woods, helped to cut down the timber and lay the plank beds, as we call them, and burn them and sow them, and put the white canvas over them that is necessary to protect the young plants from insects. When it rained, and we had what we call a season, I helped to pull those plants one at a time from this bed, and with a peg sharpened at one end stooped over to replant that tobacco in the hills which had been made with the gooseneck hoe, which was our instrument of cultivation in that particular product. I know that no man by his own labor can produce more than 4 or at the outside more than 5 acres of tobacco; and if he has any other sort of crop that will divide his time, he has a hard time producing even 4 acres.

It may be that since a fluid has been invented which will kill the worms, a man can worm a little more than 4 acres—more than he could in my day when I was a boy on the farm—but when I was a boy on the farm we had to examine each leaf of the tobacco, after it had been primed by tearing the leaves from the bottom high enough above the ground so that the rain and dirt would not spoil them. Then we topped the tobacco, leaving some 10 or 12 leaves so that it would spread like an umbrella; and it was necessary for any one who cultivated it to look on the top and under the bottom of every individual leaf on the tobacco stalk to see if there was a worm there engaged in its destruction.

No one man can house 4 acres or 1 acre of tobacco by himself. It takes three or four men to put a barn full of tobacco, because a man has to climb up into the tiers, and the tobacco has to be passed up from the wagon and go through a procedure until it can be placed in every tier in the barn. So I am concerned here about the little farmer, for I know more about his problem than I do about the problems of the big farmer, especially in the production of tobacco; and I know that whatever tears down the price of tobacco in this country does more damage to the little farmer than it does to the big farmer.

Mr. President, there are only four large purchasers of tobacco in the United States: The American Tobacco Co., R. J. Reynolds & Co., Liggett & Myers, and Lorillard. They are the four great purchasers of tobacco in this country. I can remember the time when these and other purchasers divided the country, even divided a county, so that an agent of one would not cross the road to buy the tobacco of his neighbor. They did it by mutual agreement; and the result was that the price of tobacco was driven down so low that the farmer could not produce it and enjoy anything like a decent standard of living. Then the farmers tried to organize in Kentucky and in Tennessee and in North Carolina, but probably not so much in North Carolina, in order that they might curb production and hold back the surpluses from the market in order that they might maintain a decent price.

Mr. BAILEY and Mr. LOGAN rose.

The PRESIDING OFFICER (Mr. HATCH in the chair). Does the Senator from Kentucky yield, and, if so, to whom?

Mr. BARKLEY. I yield first to the Senator from North Carolina.

Mr. BAILEY. Mr. President, burley tobacco is to a very great extent domestically consumed.

Mr. BARKLEY. Yes; it is to a very great extent domestically consumed.

Mr. BAILEY. No great amount of it is sold for export. North Carolina, Virginia, South Carolina, and Georgia bright tobacco is sold in quite a considerable measure—I should say about 45 percent—for export. I do not intend to comment about this particular tobacco at this time; but I wish to get that statement in the RECORD, because the Senator from Kentucky is now addressing the Senate, and making a very fine argument upon the subject of burley tobacco.

Burley tobacco is not in this bill, but is very far removed from it. The Senator from Kentucky might have all knowledge about burley tobacco, but he would not understand bright tobacco.

Mr. BARKLEY. Mr. President, I yielded to the Senator for a question. I do not want him to take up too much of my 15 minutes.

Mr. BAILEY. I will take my seat, Mr. President, but I wish to remind the Senator from Kentucky that when I was speaking under a 15-minute limitation the Senator from Kentucky did not hesitate to make a speech in the midst of mine. The next time he tries to do that I shall have to decline to yield to him.

Mr. BARKLEY. I thought I asked the Senator a question; but if I went beyond the question, I apologize to the Senator from North Carolina.

Mr. BAILEY. But the Senator is not now yielding to me.

Mr. BARKLEY. The point is that while burley tobacco is not in the Senator's amendment—and I am not speaking for my own State, because we do not produce flue-cured tobacco—I think it is certainly in the interest of justice to all tobacco producers that no one State shall be taken out from the operation of the bill, because while 45 percent of flue-cured tobacco may be exported, the rest of it, even if not that which is exported, comes into competition with burley tobacco, which is used very largely for cigarettes; and the Senator from North Carolina in his remarks commented on the fact that flue-cured tobacco is largely used in the production of cigarettes.

I now yield to my colleague if he still wishes me to do so.

Mr. LOGAN. Mr. President, I simply wanted to call the attention of my colleague to the fact that an effort was made to reduce the production of tobacco before the big tobacco-buying organizations made that attempt. The Senator has not forgotten the old Night Rider days, when those who rode had for their objective the reduction of the production of tobacco.

Mr. BARKLEY. No; I have not forgotten them, but I have not the time to go into the causes and effects of that particular episode.

Mr. President, the point I am making is that the little farmer is the farmer who suffers if there is a low price on tobacco. Fifty-five percent of all tobacco produced is made by those who produce less than 10,000 pounds. No one man can produce 10,000 pounds by his own labor. If any man is producing 10,000 pounds of tobacco, he is either hiring tenants by the year or by the day or by the month in order to produce it, or he is letting out five acres or four acres in little patches in order that the sharecropper may produce the tobacco.

If the amendment of the Senator from North Carolina applies also to sharecroppers, then any man with a thousand acres of land could lift himself out from under the terms of the bill by renting all of his tobacco land to sharecroppers

and letting each of them produce 4 acres or 5 acres of tobacco, dividing it up in that way; and if the amendment does not apply to sharecroppers, it is even more unfair.

I will say that those in the Department of Agriculture who will have to do with the administration of the tobacco section of our program advised me that if this amendment is adopted it will be utterly impossible to put into effect a program on tobacco, and that we might as well strike the tobacco section from the bill.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. BAILEY. I am sure the Senator will yield for a correction of a statment of facts.

My amendment will not enable anybody to be lifted out of this bill. The little fellow is in it to the extent of 5 percent; the 10,000-pound man is in it to the extent of the 10 percent cut, and those who divide with him are all in it to the limit of the bill.

Mr. BARKLEY. The Senator's amendment does not lift those to whom it applies out of this bill, but it puts them on an entirely different basis, and it gives to 55 percent of production a small reduction of their quota, whatever it gives to the other 45 percent. For that reason it is my contention—and I do not think the Senator from North Carolina would gainsay this—that if the producers of 55 percent of any crop, whether it be tobacco, or cotton, or wheat, or corn, or rice, are to be placed on a different basis, so that the law cannot be applied to them in a uniform manner, it would materially affect the success of the program and would operate to reduce the price of the product beyond that which would be possible if it applied to all the growers in the same way.

For that reason, Mr. President, if the section on tobacco is to be of any value whatever to the little farmer as well as the big farmer who produces tobacco, I do not believe there ought to be this exception, this lowering of the quota, or authority to reduce the quota.

Mr. ELLENDER. Mr. President, I am in thorough accord with the statement made by the Senator from Kentucky [Mr. BARKLEY], and I do not have much more to add to the remarks I made a few days ago with reference to a similar amendment. I believe that the committee amendment, as amended and adopted a few days ago, with reference to allocation of tobacco quotas, will go further toward helping the small grower than the amendment which has been proposed by the Senator from North Carolina. Under the amendment of the Senator from North Carolina, what is going to become of the quota of the small farmer who has been planting tobacco for only 2 or 3 years?

Mr. BAILEY rose.

Mr. ELLENDER. I wish to call to the attention of the Senate the fact that the amendment of the Senator from North Carolina takes a 10-year average, whereas the bill as it is now written, gives to the little farmer——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from North Carolina?

Mr. ELLENDER. I will yield in just a minute, Mr. President. The provision that is presently in the bill allots to the small grower who has been planting tobacco during the past 3 years the highest production that he has made in any of those 3 years, if it is smaller than the minimum fixed for flue-cured tobacco—3,200 pounds—or for other kinds of tobacco—2,400 pounds. In other words, the small grower who has grown as much as 3,200 pounds of flue-cured tobacco or 2,400 pounds of other tobacco in any year of the past 3 years, will be allotted said amount, irrespective of what his average in the past has been.

I now yield to the Senator from North Carolina.

Mr. BAILEY. Mr. President, will the Senator permit me to say that we have now a perfect illustration of Federal legislation in matters agricultural. The Senator from the rice State is talking about flue-cured bright tobacco, and the Senator from the prairie State is talking about how we work in North Carolina. That is a perfect illustration of the philosophy and the folly of the Federal attempt to run agriculture. But I will have to listen. I am going to vote for rice. But I am not going to put anything in there about rice. I do not know about rice. But the Senator from Louisiana knows all about bright tobacco—oh yes!

Mr. PEPPER. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Florida?

Mr. ELLENDER. I do.

Mr. PEPPER. The Department of Agriculture is equally cognizant of conditions in the growing of flue-cured and burley tobacco; and, if I correctly understand the Senator from Louisiana, they are opposed to this amendment.

Mr. ELLENDER. They are.

In further answer to my good friend from North Carolina, if he will study the rice title of the bill he will find in that part of the bill that there is not as much opportunity for controlled production as there is in the case of tobacco.

Mr. BAILEY. Mr. President, let me ask the Senator a question.

Mr. ELLENDER. Just a minute. I wish to further say to the Senator from North Carolina that it was my privilege to attend each and every hearing that was held by the southern group of the Senate Agricultural Subcommittee last fall, and in addition thereto, I also attended a number of the hearings held by the western group of the subcommittee in the Middle West and on the Pacific coast. I made it my business to be present at all of those hearings because I was interested in agriculture and in the welfare of our farmers—because I sympathize with the farmers, and I wanted to hear from their own lips what they thought about crop legislation, and about Federal compulsory crop control. I may say to the Senator from North Carolina that a great number of tobacco farmers were present at all of the hearings we held in the tobacco States, and we had an excellent opportunity to sound out their views on crop control, and we did sound them out, and I can state positively, and I am sure, without fear of contradiction, that practically all of the tobacco farmers who appeared before our committee were in favor of controlled production—and when I say control, I mean control with teeth in it.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield.

Mr. BAILEY. I have no doubt that in the 24 hours the Senator spent in North Carolina, he learned more than in all the balance of his life; but I just want to ask him a question. Is he opposed to controlling rice production?

Mr. ELLENDER. No, sir; I am not.

Mr. BAILEY. But the Senator did not put it in the bill.

Mr. ELLENDER. Maybe not as I would like it, but I am for what the people want if it is possible to do so. The rice title, as written, represents the views of most of the rice producers.

In further answer to the Senator from North Carolina I desire to say that I have not spent a mere 24 hours in his State, as he would insinuate. It has been my pleasure and good fortune to spend quite a number of days in his beautiful State. On every trip I have made through North Carolina—and there have been quite a few such trips—I have stopped and conversed with tobacco farmers. I may further state that since 1916 I spent much time in his State and other tobacco States and feel that I know something about the production of tobacco. On my way to Washington to attend this special session I spent over a day in North Carolina.

Mr. BAILEY. I hope the Senator will come often. He will be welcome.

Mr. ELLENDER. You have a fine State.

Mr. BAILEY. But the Senator says——

The PRESIDING OFFICER. Senators will please address the Chair before continuing their colloquies.

Mr. BAILEY. I beg the Chair's pardon.

Mr. ELLENDER. Mr. President, I again repeat what I have just said about the tobacco-control feature of the bill, the tobacco growers desire control, and I am confident that a mere reading of the hearings held at Winston-Salem, N. C., Columbia, S. C., and Louisville, Ky., will convince anybody that that is the case. Farmers from every portion of those States where tobacco is grown were heard at those

hearings; and I want to say that they desire a bill with control in it, and I feel that this bill gives them such control

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ELLENDER. I yield to the Senator from Kentucky.

Mr. BARKLEY. In any of the hearings in any of the tobacco States, did anybody ask to be exempted from the provisions of this bill, so far as tobacco was concerned? Did any of those advocating control ask that the control apply only to the other fellow, and not apply to them?

Mr. ELLENDER. No, sir.

Mr. BARKLEY. That is not the spirit of the tobacco growers.

Mr. ELLENDER. On the contrary, Mr. President, every tobacco grower with whom we came in contact said that prices were good this year, and what he wanted was to keep those prices where they were, and he felt the only way that could be done was by giving him a control program; and that, Mr. President, we have done.

To revert to the amendments that were inserted in the bill, in order not to disturb the small tobacco growers we have allotted to them the highest amount produced in any of the past 3 years, provided that the amount produced was less than 3,200 pounds of flue-cured tobacco and 2,400 pounds of other tobacco. The 3,200-pound and 2,400-pound levels were so fixed because those amounts represent all the tobacco that the average small farmer can grow, as was just explained by the Senator from Kentucky.

Mr. BAILEY. Mr. President, will the Senator explain something to me?

Mr. ELLENDER. Gladly, if I can.

Mr. BAILEY. Why is the exemption on burley tobacco only 2,400 pounds, and on flue-cured tobacco 3,200 pounds?

Mr. ELLENDER. The reason for that is that in the case of flue-cured tobacco the farmer has to build a tobacco-curing barn which has a capacity of 4 acres' production. That has been the custom throughout the tobacco region, I understand. The average production of flue-cured tobacco, I am informed, is 800 pounds to the acre. Four acres at 800 pounds to the acre makes 3,200 pounds, and that is why that figure was placed in the bill. In other words, 3,200 pounds of flue-cured tobacco is considered an economic small-farm unit set-up.

With reference to other kinds of tobacco, where we have placed the amount at 2,400 pounds, they do not require the special treatment of the flue-cured variety, and can be prepared for market at considerably less cost. The curing barns cost less to build and less to operate.

Mr. BAILEY. Now, will the Senator answer another question?

The PRESIDING OFFICER. Does the Senator from Louisiana further yield to the Senator from North Carolina?

Mr. ELLENDER. I do.

Mr. BAILEY. Why did the experts on the committee who wrote this legislation put the amount of flue-cured tobacco at 2,200 pounds if what the Senator now says is correct? Why did they write the amount at 2,200 pounds for our North Carolina flue-cured tobacco?

Mr. ELLENDER. The poundage of flue-cured tobacco as set forth in the bill, Mr. President, is 3,200 pounds.

Mr. BAILEY. I know; but it was originally written 2,200 pounds. I brought in an amendment and the Senator from Louisiana brought in one. The Senator from Louisiana is in charge of the tobacco part of the bill, having gone through our State a day or two and learned about it. I want to know why they put 2,200 pounds in the bill.

Mr. ELLENDER. The bill, as originally drafted, provided not for 2,200 pounds but for 2,400 pounds for all tobacco.

Mr. BAILEY. Very well; 2,400 pounds. Why was the figure of 2,400 pounds put in?

Mr. ELLENDER. I have given the reasons a few minutes ago. It was thought that a difference should be made in the case of flue-cured tobacco, and that is why we set the amount at 3,200 pounds.

Mr. BAILEY. I get that; "it was thought"; but I am inquiring how the amount was fixed at 2,400 pounds at the start. The Senator was in charge and passed it for 2,400 pounds in the committee.

Mr. ELLENDER. The Department might have had the Senator's amendment before it. His amendment may have prompted that change. The committee did the best it could and I, for one, will consider any reasonable suggestions. I understand that the Senator asked for 3,600 pounds; did he not?

Mr. BAILEY. Three thousand three hundred pounds. I would have asked for 3,600 pounds if I had thought I could have gotten it.

Mr. ELLENDER. What we did, then, was to allow just 100 pounds under what the Senator's amendment proposed. I think the Senator succeeded very well and should be commended by his people.

Mr. BAILEY. But the Senator did not learn that in his little trip to North Carolina, did he?

Mr. ELLENDER. No; not every detail, Mr. President. I try to learn something new every day. There may have been a great many things I did not learn in the Senator's State, but I believe I do know something about what the farmers in his State desire. There is no man in the Senate who wants to help the small farmer any more than I do; and I feel confident that the provisions of the tobacco and cotton titles will adequately take care of the small farmers of the South, insofar as production allotments are concerned. As to the three other commodities we are dealing with I feel equally certain that the small farmers will receive their just share of any acreage allotted. The bill may not result in perfect legislation, but I am willing to try something. I hope the amendment will be defeated.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from North Carolina [Mr. BAILEY], as modified, to the amendment reported by the committee.

Mr. BAILEY. Mr. President, I ask for a roll call.

The PRESIDING OFFICER. The yeas and nays are demanded. Is the demand seconded?

The yeas and nays were ordered.

Mr. BAILEY and Mr. BARKLEY suggested the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Adams	Connally	Logan	Russell
Andrews	Copeland	Lonergan	Schwartz
Ashurst	Davis	Lundeen	Schwellenbach
Austin	Donahey	McAdoo	Sheppard
Bailey	Duffy	McCarran	Shipstead
Bankhead	Ellender	McGill	Smathers
Barkley	Frazier	McKellar	Smith
Berry	George	McNary	Steiwer
Bilbo	Gibson	Maloney	Thomas, Okla.
Borah	Gillette	Miller	Thomas, Utah
Bridges	Green	Minton	Townsend
Brown, Mich.	Hale	Murray	Truman
Brown, N. H.	Harrison	Neely	Tydings
Bulkley	Hatch	Norris	Vandenberg
Bulow	Hayden	O'Mahoney	Van Nuys
Burke	Holt	Overton	Wagner
Byrd	Johnson, Calif.	Pepper	Walsh
Byrnes	Johnson, Colo.	Pittman	Wheeler
Capper	La Follette	Pope	White
Caraway	Lee	Radcliffe	
Chavez	Lodge	Reynolds	

The PRESIDING OFFICER. Eighty-two Senators have answered to their names. A quorum is present.

The question is on agreeing to the amendment offered by the Senator from North Carolina [Mr. BAILEY], as modified, to the amendment reported by the committee. On that question the yeas and nays have been demanded and ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. SHIPSTEAD (when his name was called). I have a general pair with the senior Senator from Virginia [Mr. GLASS]. I am informed that if present that Senator would vote "yea." If permitted to vote, I should vote "nay."

The roll call was concluded.

Mr. MINTON. The senior Senator from Illinois [Mr. LEWIS] is unavoidably detained. I am authorized to state that if present he would vote "nay."

Mr. FRAZIER. My colleague the junior Senator from North Dakota [Mr. NYE] is necessarily absent. He is paired

on this vote with the Senator from Utah [Mr. KING]. If present, my colleague [Mr. NYE] would vote "nay," and I am advised the Senator from Utah [Mr. KING] would vote "yea."

Mr. MINTON. I announce that the Senator from Delaware [Mr. HUGHES] is detained from the Senate because of illness.

The Senator from Rhode Island [Mr. GERRY], the Senator from Virginia [Mr. GLASS], the Senator from Utah [Mr. KING], the Senator from New Jersey [Mr. MOORE], the Senator from Nevada [Mr. PITTMAN], and the Senator from Maryland [Mr. TYDINGS] are unavoidably detained.

The Senator from Missouri [Mr. CLARK] and the Senator from Alabama [Mrs. GRAVES] are detained on important public business.

The Senator from Arizona [Mr. ASHURST], the Senator from Washington [Mr. BONE], the Senator from Illinois [Mr. DIETERICH], the Senator from Iowa [Mr. HERRING], and the Senator from South Dakota [Mr. HITCHCOCK] are detained on departmental matters.

The Senator from Pennsylvania [Mr. GUFFEY] is detained in a conference at the White House.

The Senator from Rhode Island [Mr. GERRY] is paired with the Senator from South Dakota [Mr. HITCHCOCK]. If present and voting, the Senator from Rhode Island would vote "yea", and the Senator from South Dakota would vote "nay."

The result was announced—yeas 35, nays 43, as follows:

YEAS—35

Adams	Capper	Holt	Smith
Andrews	Caraway	Johnson, Calif.	Steiwer
Austin	Copeland	Lodge	Townsend
Bailey	Davis	McAdoo	Vandenberg
Borah	Frazier	McNary	Van Nuys
Bridges	George	Maloney	Walsh
Bulkley	Gibson	Miller	Wheeler
Burke	Hale	O'Mahoney	White
Byrnes	Harrison	Russell	

NAYS—43

Bankhead	Duffy	Lundeen	Radcliffe
Barkley	Ellender	McCarran	Reynolds
Berry	Gillette	McGill	Schwartz
Bilbo	Green	McKellar	Schwellenbach
Brown, Mich.	Hatch	Minton	Sheppard
Brown, N. H.	Hayden	Murray	Smathers
Bulow	Johnson, Colo.	Neely	Thomas, Okla.
Byrd	La Follette	Norris	Thomas, Utah
Chavez	Lee	Overton	Truman
Connally	Logan	Pepper	Wagner
Donahey	Lonergan	Pope	

NOT VOTING—18

Ashurst	Glass	Hughes	Pittman
Bone	Graves	King	Shipstead
Clark	Guffey	Lewis	Tydings
Dieterich	Herring	Moore	
Gerry	Hitchcock	Nye	

So Mr. BAILEY's amendment, as modified, to the amendment of the committee was rejected.

The PRESIDING OFFICER. The next amendment passed over will be stated.

The CHIEF CLERK. On page 72, in line 1——

Mr. COPELAND. Mr. President, it is my desire to offer an amendment to this paragraph. The first amendment I desire to offer in behalf of the Senator from Vermont [Mr. AUSTIN] and myself, is to the last line of page 71, after the word "corn", to insert "(except in the case of corn normally used as ensilage)."

The PRESIDING OFFICER. The Chair is advised that before the amendment which the Senator desires to offer is in order it will be necessary to go through the formality of having reconsideration of the vote by which the Senate committee amendment was adopted.

Mr. COPELAND. I know the Senator from Vermont [Mr. AUSTIN] wishes to speak, so I ask unanimous consent that the vote by which the amendment was adopted at the bottom of page 71, lines 23 and 24, may be reconsidered. The Senator from Idaho [Mr. POPE] and others in charge of the bill are agreeable to this action and accordingly I submit the request.

The PRESIDING OFFICER. Is there objection to the reconsideration of the vote by which the committee amendment was adopted? The Chair hears none, and it is so ordered.

Mr. COPELAND. I now offer my amendment, on page 21, line 24, after the word "corn", to insert "(except in the case of corn normally used for ensilage)."

Mr. AUSTIN. Mr. President, in order that we may understand what we are talking about, the amendment proposed by the Senator from New York [Mr. COPELAND] and myself relates to line 1, page 72, which I understand to be the pending question. The proposal is, on page 72, line 1, to strike out the words "poultry or" and insert after "livestock" the words "except dairy cattle." It is to that precise amendment that I wish to invite the attention of the Senate and particularly of the Senators who sponsor the measure, for I hope that they may see fit to accept it if the understanding of the bill which I have is correct.

Let me say that I often think of what Benjamin Franklin wrote to the son of Cotton Mather after Cotton Mather died. He said:

> I regret the passing of your distinguished father. We were not very friendly in his lifetime, but we visited each other; and on one occasion while he was taking me through a low passageway in his printing outfit I bumped my head on a beam. He turned to me and said, "Ben, stoop a little going through life. It will save you many a bump." I was grateful to him, but never thanked him, so I now acknowledge my debt.

I have no arrogance of opinion about the text of the bill, but I have certain views to which I am very firmly persuaded and to which I hope the Senators who sponsor the bill will listen, because I believe if my understanding is correct they will accept the amendment.

The amendment under consideration would cut out of the bill definite and certain hardships on the producers of milk and eggs. As written the bill brings feeders of corn and wheat under a ban—that is, a ban against payments and loans—and under the penalties of the bill. At the same time it cuts off their present rights under the soil-erosion contracts. Take the farmer who raises corn ensilage above the exemption and feeds it to his herd, and we have this strange result. If he fails to sign an adjustment contract, he cannot be paid soil-conservation payments. Understand, that is if he fails to sign. That is a direct prohibition to which I shall refer in a moment.

On the other hand, if he signs the contract he cannot be paid either soil-conservation payments or parity payments for the two following reasons: First, parity payments are to be substituted under the terms of the bill for soil-conservation payments. Second, the producer of silage corn fed to his cattle gets no parity payment at all. Parity payments are to be made on the price of corn and wheat, not on the price of milk and eggs. The bill therefore creates a dilemma for the milk and egg producer from which he cannot escape. Soil-conservation payments are entirely eliminated from him in the future with nothing whatever substituted therefor.

Let us turn to page 7 of the bill. It is there provided, in line 6, as follows:

> Soil Conservation Act payments shall, if the farmer is eligible to enter into an adjustment contract, be paid to him only if he has entered into such a contract.

Pause there. If he has not entered into an adjustment contract, the soil-conservation payments to which now he is entitled will not be paid to him.

This is the other horn of the dilemma:

> In lieu of the payments under such act, with respect to wheat and corn produced for market, cooperators shall receive the parity payments under adjustment contracts.

The producer of eggs and milk, by raising corn and feeding it to poultry and cattle, has no right to any parity payments at all. He feeds all of his corn. He sells none of it. It goes into his cattle, and this definition of "for market" sweeps him in.

Mr. President, I have no idea at all that the Senators who are so earnestly endeavoring to help agriculture in the country intended to do such a huge injustice to a great branch of agriculture. As I have heretofore pointed out, the volume and importance of dairy products compare with the

volume and importance of cotton, and I have not any idea the sponsors of the bill intended any such objective as this would accomplish.

Just a word more. If we take out of this definition the words "poultry or" and add to it the words "except dairy cattle", it would read as follows:

The term "for market" in the case of wheat and corn means for disposition by sale, barter, exchange, or gift, or by feeding (in any form) to livestock (except dairy cattle) which, or the products of which, are to be sold, bartered, exchanged, or given away.

What I want to add to my urgent plea for the acceptance of the amendment is this: There is not apparent to me any possible injury to any person who is intended to be benefited by the bill if that amendment should be adopted. It is closely confined in its scope to precisely that class and only that class of agriculturists who are by the bill entirely deprived of their benefits under the Soil Conservation Act as well as under the provision of the pending bill because of the peculiar manner in which the definition of "marketing" sweeps them within the denunciations of the bill.

Mr. GILLETTE. Mr. President, may the amendment be stated?

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. In the committee amendment, on page 71, line 24, after the word "corn", it is proposed to insert the words "except in the case of corn normally used for ensilage."

Mr. AUSTIN. Mr. President, there is evidently a misunderstanding of the situation. I made a parliamentary inquiry.

The PRESIDING OFFICER. The parliamentary situation is that the amendment to which the Senator from Vermont spoke, and the one which was passed over, is the next amendment among those passed over to be taken up for consideration; but the Senator from New York requested unanimous consent to return to the committee amendment at the bottom of page 71, which unanimous consent was granted, and thereupon the Senator from New York offered the amendment which the clerk has just reported.

Mr. COPELAND. Mr. President, in order that the matter suggested by the Senator from Vermont may be placed squarely before the Senate I withdraw the amendment which I offered in order that this particular amendment, which is on the table and which was presented jointly by the Senator from Vermont and myself, may be given consideration, because that is what the Senator from Vermont had in mind.

The PRESIDING OFFICER. The Senator from New York withdraws the amendment he has heretofore offered, and the question is now on the amendment offered by the Senator from New York and the Senator from Vermont, which will be stated.

The CHIEF CLERK. On page 72, line 1, it is proposed to strike out the words "poultry or" and insert after the word "livestock" the words "except dairy cattle."

Mr. POPE. Mr. President, since the Senator from Vermont addressed his remarks to the authors of the bill, indicating that he desired to have our views in reference to his amendment, I may say that I have already stated on the floor that, so far as I am concerned, and I believe the other sponsors of the bill are in agreement, I have no objection to striking out the words "or poultry." I realize that in certain instances considerable quantities of corn are fed to poultry; but it seems to me the matter as a whole is so small that it will make no material difference in the administration of the proposed law. Therefore I have no objection to that part of the Senator's amendment striking out the words "poultry or."

I do object to and shall oppose the portion of the amendment which attempts to strike out the dairy interests or to exempt dairy cattle from this provision, because it can readily be seen, as pointed out by the Senator from Iowa a few days ago, and I think by other Senators, that a farmer might very well raise a large amount of corn, feed it to livestock, feed it to his dairy cattle, and market the products, and it would have the same effect as raising corn and feeding it to hogs and marketing the hogs. It would tend to increase the raising of hogs, increase the production of dairy products, and make the competition keener than it is now. I make this statement on behalf of the dairy interests, because I am interested in dairying as much as in any other one thing. But to increase dairying, increase the number of dairy herds, to place no limit upon the amount of corn and feed that may be fed to dairy herds, would, it seems to me, be a detriment to the dairy industry, and would tend to defeat the purposes of the bill.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. POPE. I yield.

Mr. McKELLAR. About how much corn is fed to livestock a year?

Mr. POPE. I do not have the figures.

Mr. McKELLAR. What proportion of the entire crop?

Mr. POPE. Perhaps the Senator from Iowa, who is quite familiar with the subject, could give some idea of that. The Senator from Tennessee asks what percentage of corn is fed to livestock each year.

Mr. GILLETTE. Mr. President, the estimate is that 85 percent is marketed on the hoof, as we say, in livestock, either cattle or hogs.

Mr. AUSTIN. Mr. President, in view of what the Senator from Idaho has stated, let me say that with the provisions on page 7 in effect, namely, that if such a corn producer as he describes should enter into a contract, then the following would take place, "and in lieu of the payments under such act with respect to wheat and corn produced for market cooperators shall receive the parity payments made under adjustment contracts."

Mr. President, I submit to the good sense of the Senate that if a man who increases his crop of corn and feeds it to his stock and gets his money out of the milk crop, this is a hindrance rather than a benefit, and that there is no economic reason to induce a man or to tempt him to increase his crop of corn for the purpose of producing milk. There is no benefit, but there is this disadvantage, that he is prohibited by the proposed law from enjoying the payments which he may now enjoy under the Soil Conservation Act, and he may not have any parity payments, because there are no parity payments on his money crop, namely, milk. It is purely a theoretical defense of regimentation of milk producers. There is no realism about it at all. Many milk producers are not in a position, if they are tempted by the provisions of the bill, to increase the quantity of their milk in that manner.

Mr. GILLETTE. Mr. President, I dislike very much to differ with my colleague, the Senator from Vermont. I greatly fear one of two things, and possibly both, would result from the adoption of the amendment as he has suggested it. The first is the complete break-down of the purposes of the bill in its administration because of the increased use of ensilage by feeding corn to livestock, thus coming within the exemptions he has provided in the amendment he has presented.

The second point is that it would develop, in my honest opinion, for the dairy interests of the country, the most destructive competition that could possibly be developed for them. I can conceive of no greater injustice to them than the adoption of this amendment, as I can conceive it would work out, having in mind as fully as the Senator has, and as has the eminent Senator from New York and also the eminent Senator from Wisconsin, representing dairy districts, the fear that they have expressed and the fear they feel for the dairy interests. I am convinced that the amendment to be later presented by the Senator from New York will, in better fashion, protect the dairy interests. As I understood the amendment as reported by the clerk, which was later withdrawn, it would exempt corn usually fed or normally fed in the form of ensilage. If that amendment is adopted it will prevent the diversion and the development of this competition which I feel would be a danger we can well anticipate. I believe that fear is shared by practically all

the sponsors of the bill, and I am sure it is shared by representatives of the Department of Agriculture.

I hope the pending amendment will be voted down and that the amendment which will be offered will be agreed to, and I think it will meet the situation.

Mr. AUSTIN. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. AUSTIN. Is it proper to accept the tender of the Senator from Idaho and modify the amendment so that it will refer only to the exception of poultry?

The PRESIDING OFFICER. The author of an amendment may modify it as he desires. If the Senator from Vermont desires to modify his amendment, he may do so.

Mr. NORRIS. Mr. President, I should like to suggest to the Senator from Vermont that if the proposition of the junior Senator from Idaho is accepted, it will be an amendment which is not in order at the present time. It proposes to insert something after "livestock." The insertion of livestock is not a committee amendment. In other words, it will not be an amendment to a committee amendment.

Mr. AUSTIN. Mr. President, I agree with the Senator from Nebraska, and am glad he called this to my attention. Under the circumstances, therefore, I should like to ask for a yea-and-nay vote on the amendment.

Mr. NORRIS. Mr. President, I should like to submit another proposal. As the Senator from Vermont has offered the amendment, it consists very distinctly of two propositions, but the subjects covered are not connected in the bill itself. It is an amendment to language appearing at two places in the bill. One part of the amendment is in order now, and the other is not. So it seems to me we would be in the dilemma of coupling up an amendment which was in order with an amendment which was not in order, and in order to reach a vote we would indirectly be violating the rule to which we have agreed. Technically speaking, although I myself do not care, it seems to me that the amendments thus coupled up, amending the bill in two places, one in order and one out of order, ought to be held not to be in order, if Senators insist on putting them together.

Mr. AUSTIN. Mr. President, assuming that to be correct, the real subject matters of the committee amendment and of the proposed amendment to the amendment are poultry and dairy cattle; and if it does require a waiver of the rule by unanimous consent, I would ask it rather than take the time to review the same matter once more. I venture to guess that the result would be the same at this instant as it might be any time hereafter. Therefore I ask the Senator from Nebraska if he does not agree that perhaps we had better take a vote on it now.

Mr. NORRIS. That may be. I certainly have no objection.

Mr. AUSTIN. Mr. President, I ask unanimous consent that we may act on this matter at this time and get it disposed of.

The PRESIDING OFFICER. The Senator from Vermont asks unanimous consent that the amendment in its entirety, whether it is in order or not, be acted upon at this time. Is there objection to the request? The Chair hears none, and it is so ordered.

Mr. AUSTIN. I ask for the yeas and nays.

The yeas and nays were ordered, and the Chief Clerk proceeded to call the roll.

Mr. NORRIS. Mr. President, I submit a question to the Chair. There may be, and likely there is, a difference of opinion on this amendment. A Senator might be in favor of one-half of it and against the other half. I think I have a right to demand, and there ought to be, it seems to me, a division of the question.

The PRESIDING OFFICER. The present occupant of the chair is of the opinion that a division is in order. Does the Senator from Nebraska request a division?

Mr. NORRIS. I do. I think we ought to have a roll call first on striking out the words "poultry or." Then we could have a vote on the insertion proposed.

The PRESIDING OFFICER. The clerk will state the amendment.

The CHIEF CLERK. In the committee amendment on page 72, line, 1, it is proposed to strike out the words "poultry or."

The PRESIDING OFFICER. Does the Senator from Vermont request a roll call on this?

Mr. AUSTIN. I do not. I understand this amendment is substantially agreed to.

Mr. POPE. The committee amendment proposes to insert the words "poultry or." The proper thing would be to vote down the committee amendment.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. COPELAND. As I understand, it is entirely satisfactory to the committee to have the amendment rejected.

Mr. POPE. It is.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the committee.

The committee amendment was rejected.

The PRESIDING OFFICER. The clerk will state the pending amendment.

The CHIEF CLERK. The pending amendment is the amendment of Mr. COPELAND and Mr. AUSTIN on page 72, line 1, after the word "livestock", to insert "excepting dairy cattle."

The PRESIDING OFFICER. It was on this amendment to the committee amendment that the yeas and nays were ordered. The yeas and nays have heretofore been ordered. The clerk will call the roll.

The Chief Clerk proceeded to call the roll.

Mr. GLASS (when his name was called). Mr. President, I have a general pair with the Senator from Minnesota [Mr. SHIPSTEAD]. Not knowing how he would vote on this question, I withhold my vote.

Mr. FRAZIER (when Mr. NYE's name was called). My colleague [Mr. NYE] is necessarily absent from the Senate. On this vote he is paired with the senior Senator from Illinois [Mr. LEWIS]. If present and at liberty to vote, my colleague would vote "yea," and, I understand, the senior Senator from Illinois, if present and at liberty to vote, would vote "nay" on this question.

Mr. MINTON. I announce that the Senator from Delaware [Mr. HUGHES] is detained from the Senate because of illness.

The Senator from Florida [Mr. ANDREWS], the senior Senator from Arizona [Mr. ASHURST], the Senator from Virginia [Mr. BYRD], the Senator from New Mexico [Mr. CHAVEZ], the Senator from Georgia [Mr. GEORGE], the junior Senator from Arizona [Mr. HAYDEN], the Senator from Iowa [Mr. HERRING], the Senator from South Dakota [Mr. HITCHCOCK], and the Senator from Nevada [Mr. MCCARRAN] are detained in Government departments.

The Senator from Tennessee [Mr. BERRY], the Senator from Rhode Island [Mr. GERRY], the Senator from Illinois [Mr. LEWIS], and the Senator from New Jersey [Mr. MOORE] are unavoidably detained.

The Senator from Missouri [Mr. CLARK] and the Senator from Alabama [Mrs. GRAVES] are detained on important public business.

The result was announced—yeas 30, nays 46, as follows:

YEAS—30

Adams	Copeland	King	Tydings
Austin	Davis	Lodge	Vandenberg
Bailey	Duffy	McAdoo	Van Nuys
Borah	Frazier	McNary	Wagner
Bridges	Gibson	Maloney	Walsh
Bulkley	Hale	Pittman	White
Burke	Holt	Steiwer	
Capper	Johnson, Colo.	Townsend	

NAYS—46

Bankhead	Ellender	McKellar	Russell
Barkley	Gillette	Miller	Schwartz
Bilbo	Green	Minton	Schwellenbach
Bone	Guffey	Murray	Sheppard
Brown, Mich.	Harrison	Neely	Smathers
Brown, N. H.	Hatch	Norris	Smith
Bulow	La Follette	O'Mahoney	Thomas, Okla.
Byrnes	Lee	Overton	Thomas, Utah
Caraway	Logan	Pepper	Truman
Connally	Lonergan	Pope	Wheeler
Dieterich	Lundeen	Radcliffe	
Donahey	McGill	Reynolds	

NOT VOTING—20

Andrews	Clark	Hayden	Lewis
Ashurst	George	Herring	McCarran
Berry	Gerry	Hitchcock	Moore
Byrd	Glass	Hughes	Nye
Chavez	Graves	Johnson, Calif.	Shipstead

So the amendment of Mr. COPELAND and Mr. AUSTIN on page 72, line 1, to the committee amendment was rejected.

Mr. COPELAND. Mr. President, I again offer my amendment at the bottom of page 71.

The PRESIDING OFFICER. The Senator from New York offers an amendment, which the clerk will state.

The CHIEF CLERK. On page 71, line 24, after the word "corn", it is proposed to insert the words "except the case of corn normally used for ensilage."

Mr. COPELAND. Mr. President, this amendment answers the objection of the Senator from Iowa [Mr. GILLETTE] and meets the approval of the committee. In my country corn used for feeding dairy cattle is largely in the form of ensilage, and therefore would not properly come under the terms of the bill. So I hope this amendment may be agreed to and inserted in the bill.

Mr. POPE. Mr. President, I agree to this amendment. I think it is helpful to the dairy interests.

Mr. FRAZIER. Mr. President, can any Senator tell me whether ensilage is covered in the bill? If not, what is the use of an amendment of this sort? I can see nothing in the bill which covers ensilage in any way.

Mr. COPELAND. The bill covers corn, and even though corn used as ensilage stays in the fodder-corn stage it is corn.

The PRESIDING OFFICER. The question is on the amendment of the Senator from New York on page 71, line 24.

The amendment to the amendment was agreed to.

Mr. COPELAND. I offer a further amendment at the end of line 11, on page 72.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. On page 72, line 11, after the word "household", it is proposed to insert "corn used as ensilage shall also be deemed consumed on the farm to the extent of the amount normally so used on the farm."

Mr. COPELAND. That amendment, as I understand, is acceptable to the committee.

Mr. POPE. That is acceptable.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from New York on page 72, line 11.

The amendment to the amendment was agreed to.

Mr. KING. Mr. President, perhaps it may be out of order, but I present an amendment which I ask to have read, and at a later time I shall ask for action to be taken upon it.

The PRESIDING OFFICER. The amendment will be read for the information of the Senate.

The Chief Clerk read as follows:

On page 26, lines 1 and 2, strike out "If more than one-third of the farmers voting in the referendum oppose such quotas for the commodity" and in lieu thereof insert the following: "Unless two-thirds of the farmers producing the commodity who would be subject to such farm marketing quotas vote in favor of the quotas in the referendum."

On page 34, in lines 4 to 6, strike out "If more than one-third of the farmers voting in the referendum oppose such quota" and in lieu thereof insert the following: "Unless two-thirds of the farmers who would be subject to such quota vote in favor of the quota in such referendum."

On page 42, line 25, and page 43, line 1, strike out "If more than one-third of the farmers voting in the referendum oppose such quota" and in lieu thereof insert the following: "Unless two-thirds of the farmers who would be subject to such quota vote in favor of the quota in such referendum."

On page 55, lines 24 and 25, strike out "If more than one-third of the farmers voting in the referendum oppose such quota" and in lieu thereof insert the following: "Unless two-thirds of the farmers who would be subject to such quota vote in favor of the quota in such referendum."

The PRESIDING OFFICER. The Chair understands that the Senator from Utah is not asking for a vote at this time on the amendment which has just been read.

Mr. KING. No, Mr. President. I understand that other amendments are pending.

Mr. SCHWELLENBACH. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator from Washington will state it.

Mr. SCHWELLENBACH. May I ask what became of the committee amendment on the top of page 72, inserting the words "poultry or"?

The PRESIDING OFFICER. The committee amendment on the top of page 72 was rejected.

The question is on agreeing to the amendment of the committee, as amended, on page 71, line 24.

The amendment, as amended, was agreed to.

Mr. BARKLEY. Mr. President, while we have such a large attendance, I wish to make a statement.

In view of the suggestion I made late yesterday afternoon that we might have to resort to night sessions, I have been asked by a number of Senators today whether or not there will be a night session this evening.

Under all the circumstances, I have concluded not to insist on a night session tonight; but I serve notice that unless the consideration of the bill shall have been concluded before tomorrow night I shall ask the Senate to sit in a night session, beginning at 8 o'clock, after a recess from 5 to 8, in order that we may conclude the consideration of the bill.

Mr. SMITH. Mr. President, while our leader is discussing the prospect of completion of the bill, I desire to suggest that he ask that the bill be printed with all the amendments which have been made, so that those of us here who are trying to follow the bill may have it in such print that we can follow it consecutively.

Mr. BARKLEY. I intend to make that request when the amendments have all been agreed to; but it would be useless to have the bill printed with the amendments until we know what amendments are to go in the bill. I think the suggestion of the Senator is a good one, and it ought to be done as soon as we have completed action on the amendments; but we have not yet quite reached the place where we can do it with any advantage.

Mr. SMITH. The only idea I had was, as the Senator says, that when the amendments shall all have been offered and adopted there should be a print, so that we may know exactly what has been done in this very clear and explicit bill.

Mr. BARKLEY. I agree with the Senator.

Mr. SCHWELLENBACH. Mr. President, will the Senator from South Carolina yield?

The PRESIDING OFFICER. Does the Senator from South Carolina yield to the Senator from Washington?

Mr. SMITH. I do.

Mr. SCHWELLENBACH. With reference to the suggestion which the Senator has made, I should like to say that a little while ago I happened to be presiding when the Senator from Florida [Mr. ANDREWS] made that suggestion. The experienced secretaries and clerks, who certainly know more about procedure than I do, were unanimous in their agreement that it would be an undesirable thing to do, because of the fact that the pages are different and the numbers are different; and they stated that when that procedure had been followed in the past, it had been very unsatisfactory.

I simply present that comment, which I heard from the experienced clerks of the Senate.

Mr. SMITH. Mr. President, I have had about as much experience as anyone else here, but I have not had any experience with this kind of a bill. When we shall have finished this huge mystery we should like to have a text with the amendments that have been agreed to, so that we may turn from page to page and find out just what has been added, and what great benefit has accrued by virtue of the amendments.

Mr. McNARY obtained the floor.

Mr. GEORGE. Mr. President——

Mr. McNARY. I yield to the Senator from Georgia.

Mr. GEORGE. A parliamentary inquiry. Is there an amendment pending?

The PRESIDING OFFICER. No amendment has yet been proposed.

Mr. GEORGE. Will the Senator from Oregon yield to me so that I may ask unanimous consent to reconsider one paragraph in the tobacco section of the bill, and offer an amendment to which there is no objection—that is, no objection by the Senators who are members of the committee who are familiar with tobacco?

The PRESIDING OFFICER. Does the Senator from Oregon yield for that purpose?

Mr. McNARY. Yes; I yield.

Mr. GEORGE. I ask unanimous consent to reconsider the vote by which section 42 (a) on page 43 was adopted.

The PRESIDING OFFICER. The Senator from Georgia asks unanimous consent for the reconsideration of the vote by which the committee amendment known as section 42 (a) on page 43 was adopted. Is there objection to the request of the Senator from Georgia? The Chair hears none, and the vote is reconsidered.

Mr. GEORGE. Now, Mr. President, after the word "production" on line 23, I offer the following amendment:

Giving due consideration to seedbed and other plant diseases.

I may say that that identical language is in the following section of the bill, where the allotment of tobacco is made to the individual farmer. This particular section deals with the division of the national quota between the States of producing areas, and there would seem to be no objection to the amendment from any source.

I ask that the amendment be adopted.

The PRESIDING OFFICER. The question is on agreeing to the amendment offered by the Senator from Georgia [Mr. GEORGE] to the amendment reported by the committee.

The amendment to the amendment was agreed to.

The amendment, as amended, was agreed to.

Mr. McNARY. Mr. President, in the various discussions covering the subject matter which was presented by the Senator from Vermont [Mr. AUSTIN] and the Senator from New York [Mr. COPELAND] I stated that I desired to complete that matter which pertains to the dairy industry and what disposition shall be made of the diverted lands.

I think it is agreeable for the Senator from Idaho [Mr. POPE] to proceed now with that matter, as was rather tentatively agreed a few days ago. I understand that the Senator has an amendment which precedes mine in the order of the bill, and I shall be very happy to give way to him in order that he may present his amendment. I shall follow with mine, which I shall offer as an amendment in the nature of a substitute.

A few days ago the Senator stated that he wanted to offer his amendment, as I recall, on page 36. I stated that I had selected page 82. That may not make any difference, but I think the Senator has priority in the presentation of his amendment.

Mr. POPE. Mr. President, upon consideration of the matter, as announced this morning, the amendment I shall offer is not to be offered on page 36, but as an amendment to the original language of the bill appearing on page 6, following the word "commodity" in line 5.

I will read the amendment:

Provided, however, That field corn shall not be deemed to be produced for market whenever the amount thereof produced and consumed annually on the farm is more than 50 percent of the aggregate normal yield of the corn soil-depleting base acreage for the farm (1) in counties in which the average production of field corn does not exceed 400 bushels per farm and four bushels per acre of farm land, and (2) in counties containing no minor civil subdivision in which the acreage production of field corn exceeds 400 bushels per farm and four bushels per acre of farm land, which counties border on any county included under (1).

I will say to the Senator that he will note that the amendment is a great deal broader than the amendment which I intended to suggest the other day. It does bear indirectly upon the question of dairying, but it goes further, and provides that where a farmer produces 400 bushels of field corn in counties where the land does not exceed the average of four bushels per acre, it may also be exempt, or, in other words, be considered as not having been produced for market. The Senator will note that it is attached to the provision of the bill which we have previously discussed, that where a farmer consumes 75 percent or more of the commodity, and sells 25 percent or less, then he is not producing for market. This amendment extends that so that one may consume only 50 percent of the corn under certain circumstances which are set out in the amendment and still not be producing for market. It does indirectly affect the dairy situation, but it is broader than that, and it is intended to enlarge the exemptions of corn growers outside of great corn-producing areas.

That is the amendment which I intended to offer, and the only amendment dealing with the dairy situation, and it does so only indirectly.

I agree with the Senator from New York with reference to the silage amendments, which I thought would protect the dairy interests in a very effective way; and I still have another amendment, which would be a separate section, dealing with the dairy situation.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. POPE. I yield.

Mr. McNARY. It is the latter proposal to which I referred. I am not interested in the limitations the Senator is placing on corn production outside of what is known as the corn area, with which only we deal in this bill, and which do not touch the States where corn is produced, as we may call it, as an incidental crop; but it is the dairy amendment to which I now refer.

Mr. POPE. Mr. President, I send to the desk an amendment which I ask to have stated. It will be entitled "Section 66."

Mr. NORRIS. Mr. President, will the Senator yield at that point?

Mr. POPE. I yield.

Mr. NORRIS. I observe that the Senator has been discussing an amendment which is not in order at the present time. It is an amendment to the text of the bill.

Mr. POPE. That is true.

Mr. NORRIS. Why does not the Senator proceed and get rid of the committee amendments, and then take up those amendments?

Mr. POPE. As I understood, the Senator from Oregon obtained unanimous consent to proceed with the dairy amendments. Is that correct?

Mr. McNARY. No.

Mr. NORRIS. Has the Senator from Oregon an amendment to a committee amendment?

Mr. McNARY. Yes; my amendment is to a committee amendment on page 82.

Mr. NORRIS. So that is in order.

Mr. McNARY. But I said I was willing to defer to the Senator from Idaho in order that he might offer his amendment at the place he might choose, and I would follow and offer an amendment in the nature of a substitute.

Mr. President, I think the parliamentary situation is normal. I appreciate the suggestion of the Senator from Nebraska. My amendment is in order.

The PRESIDING OFFICER. The Senator from Idaho sends to the desk an amendment which he asks to have stated.

Mr. POPE. I will ask to have the amendment stated, and then, if objection is made to its consideration, it may go over. I ask, however, to have it stated.

The PRESIDING OFFICER. The amendment will be stated.

The CHIEF CLERK. It is proposed to insert at the proper place in the bill the following new section:

SEC. 66. Whenever the Secretary has reason to believe that the income of producers of livestock or livestock products in any area from such sources is being adversely affected by increases in the acreage of conserving crops in that or any other area because of programs carried out under this act, or under sections 7 to 17 of the Soil Conservation and Domestic Allotment Act, he shall make an investigation with respect to the existence of these facts. If upon investigation the Secretary finds that the income of producers of livestock and livestock products in any area from such sources is being so adversely affected, he shall as soon as practicable make such provisions as he determines may be required

with respect to the growing of conserving crops which he finds necessary to protect the interests of producers of livestock or livestock products in the affected area.

Mr. O'MAHONEY. Mr. President, the amendment which the Senator from Idaho [Mr. POPE] has presented and which has just been read has been the subject of consideration for several days by some of us who are interested in protecting the livestock industry. Just a few moments ago I discussed with the Senator from Idaho some modifications of the amendment which he is now offering. I desire to offer as a substitute for the amendment of the Senator from Idaho the modified form thereof which I send to the desk.

The PRESIDING OFFICER. Before the modification is offered, let the Chair state that he is not clear whether the Senator from Idaho is asking consideration of the amendment at this time.

Mr. BANKHEAD. Mr. President, I request that the matter go over until tomorrow. These matters have evidently been the subject of private conference among several Senators, but some of us who are interested in the program do not know anything about the proposed amendment.

Mr. NORRIS. Mr. President, I make the point that the amendment is not in order at this time.

The PRESIDING OFFICER. The Chair is of the opinion that the Senator from Nebraska is correct.

Mr. McNARY. Mr. President, if that be the case, I am sorry. Does the Senator from Nebraska challenge the right of the Senator from Idaho to offer his amendment at this time?

Mr. NORRIS. I simply call attention to our unanimous-consent agreement. We ought to carry it out unless there is some reason why it should be disregarded in some respect. If we are going to get away from it in one instance without any reason being given, why have the agreement? In other words, if there is any virtue in the proposition to consider committee amendments first, why not do it after we have agreed to do it?

Mr. O'MAHONEY. Mr. President, the amendment of the Senator from Idaho was apparently offered by unanimous consent. It was read by the clerk and therefore went into the RECORD of today's proceedings. That amendment is not altogether satisfactory to some of us. Thereupon I rose and offered a substitute or a modification of the amendment, not for the purpose of having it acted upon immediately but for the purpose of having it before the Senate. I agree with the Senator from Nebraska that it might be better procedure to dispose of committee amendments before changes in the text are made or personal amendments offered from the floor, but I do not understand that the Senator from Nebraska objects to the reading of my proposed substitute. It may be acted upon at the proper future time, but I feel that the Members of the Senate ought to have the contents of the substitute before them.

The PRESIDING OFFICER. The Chair has made no ruling as to the substitute offered by the Senator from Wyoming. The Senator from Wyoming requests that the substitute be read at this time for the information of the Senate. Is there objection to the request?

Mr. McNARY. Mr. President, may I inquire if the hand of the clock is running against me?

The PRESIDING OFFICER. Not on this request.

Mr. NORRIS. To what amendment is the Senator from Oregon addressing himself?

Mr. McNARY. I am speaking on the amendment offered by the Senator from Idaho.

The PRESIDING OFFICER. No amendment is pending at this time. The pending business is the request of the Senator from Wyoming.

Mr. COPELAND. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. COPELAND. We had an arrangement the other day, as I understood, that all the dairy amendments—I have particular reference to the amendment proposed by the Senator from Oregon—should be considered at the same time. I assume of course, if the amendment proposed by the Senator from Idaho and the substitute proposed by the Senator from Wyoming are related to the amendment which is to be submitted by the Senator from Oregon, they might be out of order at this moment. I am of opinion that the amendment the Senator from Oregon has in mind would be in order at the present time.

Mr. O'MAHONEY. The Senator misunderstands my purpose. I merely desire to have the Senate informed as to what it is proposed to ask to have done when the proper time comes to act.

The PRESIDING OFFICER. The request of the Senator from Wyoming was that the proposed substitute be read for the information of the Senate. Is there objection?

Mr. POPE. Mr. President, as I understand, the substitute constitutes the original amendment prepared by me——

Mr. O'MAHONEY. Yes; with alterations which I showed the Senator half an hour ago.

Mr. POPE. With that understanding, I agree to the perfecting of my amendment as the Senator from Wyoming has proposed.

Mr. McNARY. Mr. President, I think the Senator from Wyoming is not within his parliamentary rights when he suggests the substitute. It seems it is agreeable to the Senator from Idaho and, if accepted, we have only the amendment of the Senator from Idaho before us.

Mr. O'MAHONEY. Let me make the request for unanimous consent that the amendment as I have offered may be printed in the RECORD at this point without reading.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Wyoming?

Mr. McNARY. I should like to know what it is all about. I am going to speak, if I may, on the amendment perfecting this very subject matter, and I should like to know what amendments are being proposed. I should like to have the amendment read.

The PRESIDING OFFICER. Is there objection to the request of the Senator from Oregon? The Chair hears none and the clerk will read as requested.

Mr. O'MAHONEY. Mr. President, may I express my gratitude to the Senator from Oregon for having induced the Senate to listen to the reading of an amendment which all Senators want to hear?

The PRESIDING OFFICER. The clerk will read as requested.

The CHIEF CLERK. In the amendment of the Senator from Idaho [Mr. POPE] it is proposed, on page 1 of the amendment, line 9, after the word "act", to insert "or whenever it appears from statistics available to the Bureau of Agricultural Economics that acreage diverted under this or any other act is being used to increase the supply of livestock or livestock products for market"; on page 2, line 3, after the word "being", to strike out the word "so"; in line 4, after the word "affected", to insert "by such increases"; in line 5, after the word "provisions", to insert "under adjustment contracts or other offers"; and, at the end of line 8, to strike out the period and insert "and the authority of the Secretary under this section shall be expressly reserved in all adjustment contracts or other offers", so as to make the amendment read:

SEC. 66. Whenever the Secretary has reason to believe that the income of producers of livestock or livestock products in any area from such sources is being adversely affected by increases in the acreage of conserving crops in that or any other area because of programs carried out under this act, or under sections 7 to 17 of the Soil Conservation and Domestic Allotment Act, or whenever it appears from statistics available to the Bureau of Agricultural Economics that acreage delivered under this or any other act is being used to increase the supply of livestock or livestock products for market he shall make an investigation with respect to the existence of these facts. If upon investigation the Secretary finds that the income of producers of livestock and livestock products in any area from such sources is being so adversely affected by such increases he shall as soon as practicable make such provisions under adjustment contracts or other offers as he determines may be required with respect to the growing of conserving crops which he finds necessary to protect the interests of producers of livestock or livestock products in the affected area, and the authority of the Secretary under this section shall be expressly reserved in all adjustment contracts or other offers.

On page 83, line 2, strike out "66" and insert "67."

Mr. GEORGE. Mr. President, will the Senator from Oregon allow me to ask what is a "conserving crop"?

Mr. McNARY. A soil-conserving crop, I assume, would be any of the legumes that may be planted—soybeans and cowpeas in the South, vetch in the West, and clovers in the Plains States.

Mr. GEORGE. Would it include peanuts?

Mr. McNARY. No; I do not think it would.

Mr. GEORGE. I should like to ask the proponents of the bill if it would include peanuts, so that we could not plant, on our land to be taken out of cotton, any peanuts to feed to our hogs which are to be sold in the market, if somebody in the hog-producing country complained to the Secretary that he was being adversely affected in his income by virtue of that practice?

I merely want to get the facts straight. This is growing into a marvelous bill. This is growing more and more constitutional every moment, because things which are now being proposed relate so intimately and directly to the control and regulation of interstate commerce. It is becoming more and more clear as the days go by that it is an unmistakable regulation of interstate commerce only.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. McNARY. I yield.

Mr. CONNALLY. May I ask the Senator from Georgia if it is not likely to be held that any crop planted on the diverted acres will be held to be a soil-conserving crop, and that peanuts might come within the ban?

Mr. GEORGE. I am afraid so, if somebody got the impression or reached the conclusion that the growing of too many peanuts in the South, to be fed either to poultry or livestock, was adversely affecting interstate commerce in some other area in the country, not as such, but the income from livestock and livestock products of those who dwell in the other areas. The very clear effect of the influence on interstate commerce is obvious.

Mr. McNARY. Mr. President, I want to be courteous, but the splendid denunciation of the bill yesterday by the Senator from Georgia [Mr. GEORGE] reminds me that he probably knows more about the bill than I do. However, in answer to that one inquiry, we all know that soil-conserving and soil-building crops are those crops which restore nitrogen to the soil and hold the soil intact from erosion. There is a difference between soil-depleting crops and soil-conserving and soil-building crops. That is a natural line which everyone who has knowledge of the farm business understands, I am satisfied the able Senator from Georgia will have no difficulty, if he reads again the bill which he so beautifully denounced, in finding satisfaction in the remarks I have made.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. McNARY. I should be delighted to yield to my distinguished friend, who is always clever when addressing the Senate, but I have only a few minutes of time. I shall be glad to yield on another occasion.

The PRESIDING OFFICER. The Chair will state to the Senator from Oregon that the matter technically before the Senate is the committee amendment on page 78, and time would be counted against him on that amendment.

Mr. McNARY. Very well; but I have not yet reached page 78.

Let me review for a moment the situation, because it is based on good faith. Last week when we were considering various provisions of the bill it was understood, particularly as stated by the Senator from New York [Mr. COPELAND], that whenever we took up the dairy and poultry amendments applying to corn or to dairying we would consider them all at one time. We relied upon that understanding. The Senator from Idaho [Mr. POPE] relied upon it, the Senator from Oregon has relied upon it, and the Senators from New York, Vermont, and other States have relied upon it. We have to dispose of the matter sometime, and I ask unanimous consent that the Senator from Idaho [Mr. POPE] be permitted to offer his amendment and that it be considered at this time—and I refer to the amendment known as the dairying amendment.

The PRESIDING OFFICER. The Senator from Oregon asks unanimous consent that the Senate now consider the amendment offered by the Senator from Idaho. Is there objection?

Mr. BANKHEAD and Mr. RUSSELL. I object.

The PRESIDING OFFICER. Objection is heard.

Mr. McNARY. Mr. President——

Mr. BARKLEY. Mr. President, a parliamentary inquiry. In order to keep the record straight, all who address the Senate now must be addressing it either on the bill or on some pending amendment. What is the pending amendment?

The PRESIDING OFFICER. No amendment has been reported. Any remarks will have to be on the bill at this time. The next amendment which would regularly come before the Senate for consideration would be the one on page 78, but the Chair is advised by the parliamentary clerk that the time of the Senator from Oregon would rightfully run against his time on the bill.

Mr. McNARY. On which bill?

The PRESIDING OFFICER. On the pending bill.

Mr. McNARY. In view of the fact that my distinguished friend the Senator from Alabama has objected to my unanimous-consent request, of course I cannot offer my amendment, because I promised the Senator from Idaho—and I shall keep my faith and my word—that I would not offer my amendment save as a substitute. Therefore I shall be content to have the bill proceeded with otherwise.

The PRESIDING OFFICER. The next amendment passed over was the amendment offered by the senior Senator from Michigan [Mr. VANDENBERG], which will be stated.

The CHIEF CLERK. On page 78, line 15, it is proposed to insert the words "not exceeding the sum of $500,000,000."

Mr. VANDENBERG. Mr. President, of course the amendment speaks for itself. When the bill was reported to the Senate no Member of the Senate was able to make an estimate of what it would cost. I made repeated efforts to get an estimate, and the estimates ran all the way from $650,000,000 upwards, with a ceiling which knew no limit.

As the bill was originally drawn, however, it was deemed adequate to authorize an appropriation of $400,000,000, and the Senator from Colorado [Mr. ADAMS] is proposing ultimately that we shall return to the figure which was originally written into the bill. Pending that ultimate action, I am endeavoring to perfect the committee amendment by at least introducing a ceiling of $500,000,000 in limitation upon the ultimate expenditures.

In the first place, I submit to the Senate that it is out of the question as a matter of fiscal sanity at this particular time to authorize an appropriation which has no other limitation than the amazingly broad language "such sums as are necessary."

The sums that are necessary for the bill as it was originally presented are unknown. The sums which are necessary for the bill as it stands today, after it has gone through the process of amendment during the last 2 weeks, is certainly a total and complete mystery, and I respectfully submit that Senators upon their responsibility cannot appropriate public money to a mystery.

In the second place, the President of the United States has something to say upon this subject. He has bluntly indicated that he will veto any bill which proposes an expenditure in excess of the revenues which are available. I doubt whether any member of the Senate believes that more revenues are available than $500,000,000, and I doubt whether any Senator believes that if another $500,000,000 were necessary it would be voted by the Congress. So that brings us to the point of good faith with the farmer himself, for whom the bill is presumably built.

It has been said that the bill promises parity prices to the farmer, and that if more than $500,000,000 is necessary by way of a subsidy to give him parity prices, it is unfair to him to have proposed parity and then denied the possibility of reaching it by limiting the necessary subsidy in that direction.

Mr. President, I submit that that is not half as unfair to the farmer as to offer him parity and then go still further and propose an unlimited appropriation, when the Senate knows that it is impossible ultimately to pass a bill with an appropriation seriously exceeding $500,000,000, because the revenues are not available, and the President has indicated that even he will not accept the legislation except as the revenues are available.

The Senator from Alabama has very frankly addressed himself to the same subject, and has indicated his belief that the course of honesty is to change the language with respect to the promise of parity so that it will be plainly understood that we are not seeking to jump to 100 percent of parity immediately, but that we are proposing to approach it as rapidly as possible.

Mr. President, I think that is about all I have to say on the subject. I respectfully submit that the Senate upon its responsibility is not entitled to authorize an appropriation at *this time* for such sums as are necessary for a wholly mysterious purpose which no one who sits in the Senate can limit or bound, and for which no living person can make a dependable estimate.

I respectfully submit that if the limitation exceeds by $100,000,000 the sum which was proposed in the original draft of the bill itself, it is within the bounds of reason.

Mr. McNARY. Mr. President, will the Senator yield?

Mr. VANDENBERG. I yield.

Mr. McNARY. I wish to call the attention of the able Senator to the language on page 78, line 12:

> There is hereby authorized to be appropriated for each fiscal year for the administration of this act.

If the Senator will turn to page 86, line 10, section 72, he will find that it reads:

> The Corporation shall have a capital stock of $100,000,000, subscribed by the United States of America, which sum is hereby authorized to be appropriated.

If the Senator limits the appropriation to $500,000,000, then, for the Soil Conservation Act payments and the payment of parity prices, it would mean a limit of $400,000,000, because we have a hundred million there in addition to the $500,000,000 which is specified in the Soil Conservation Act. So the question is, Does the Senator want to cut down the soil conservation to $500,000,000 and make the total $500,000,000, which applies to the adjustment contracts, and exclude the $400,000,000 for the so-called bank?

Mr. VANDENBERG. As I understand the situation, the $500,000,000, in the form in which my amendment is offered, would be a limitation upon the total expenditures under the bill. Is that the Senator's conception?

Mr. McNARY. Yes.

Mr. VANDENBERG. That is the purpose in offering the amendment.

The PRESIDING OFFICER (Mr. DUFFY in the chair). The question is on agreeing to the amendment of the Senator from Michigan to the amendment of the committee.

Mr. ADAMS. Mr. President, on Saturday I took occasion to say a word or two on this subject. The line of my thought followed very closely that of the Senator from Michigan. It seems to me that we should act as the legislative body which is enacting farm legislation, and indicate clearly what we have in mind.

In various sections the bill indicates the intention to pay parity payments. Since the discussion on Saturday a change has been made, and instead of providing that parity payments shall be made, it has been made to read that parity payments may be made. Nevertheless, the same aggregate amount of payment from the Treasury would be available if the Secretary of Agriculture should determine to make the parity payments.

Parity payments, which to me mean full parity payments, can readily run, under the bill, to a billion and a half dollars. The Senators who are proposing the bill state clearly upon the floor that they have no intention, they have no expectation, that full parity payments shall be made; but the Senate should make that clear in the bill. It should not be left, as the committee amendment would leave it, that all sums may be appropriated which seem necessary, which, in my judgment, would impose upon the Committee on Appropriations and upon the Senate of the United States the necessity of following the intention of the Senate as expressed in the bill, and making appropriations available for not less than one and a half billion dollars.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. BARKLEY. In this connection it ought to be stated that in addition to changing the word "shall" to "may", which does not carry with it the compulsion to give full parity payments, at another place in the bill it is provided that if Congress does not appropriate sufficient money to make full parity payments, the Secretary then shall allocate the payments pro rata.

Mr. ADAMS. That is the very reason why the Senate, acting as the Senate, and not as a committee, should impose a limitation in the bill as to the aggregate amount of appropriations so that the farmer of the land will be advised that full parity payments may not be made, but that there is a limit of $400,000,000 of the $500,000,000 available, so that he will not come to those who have voted for the bill and say to them, "You must pay me so much because the bill provided for parity payments, and 'parity' means the full amount of parity," while if we really do our duty, if we do not mean to pay full parity payments—which we do not—we should put in the bill a limit upon the amount of money which is to be available for parity payments.

Mr. BARKLEY. Will the Senator yield further?

Mr. ADAMS. I yield.

Mr. BARKLEY. I am one of the Members of the Senate who have great confidence in the Committee on Appropriations, and believe that it will not appropriate more than is necessary, no matter what the limit may be. If we impose a limitation of $500,000,000, and only $250,000,000 are necessary, of course, the Committee on Appropriations and Congress would not make a larger appropriation. But it seems to me that any committee and any Congress and any department would have difficulty knowing, in advance of the production of the crop of any given year, how much would be needed in the way of parity payments. We may have a fairly good idea about how much would be needed in the way of payments under the Soil Conservation Act, but if the regulatory provisions of the bill are to have any effect at all on the reduction of surpluses, we all hope that the amount of parity payments will be really very small, and the amount of them will fluctuate in proportion as the curtailment program becomes effective. For that reason, it seems to me that it will be very difficult, in advance of any crop, to know how much will have to be paid in the way of parity payments.

Mr. ADAMS. I wish to say to the Senator from Kentucky and to other Senators that, as I understand, the basic purpose of the bill is the establishment of what has been designated as the ever-normal granary; that is, that we shall restrict excess production so that we shall not be confronted with surpluses which will destroy the prices of agricultural products, but that we shall place limits so that in the good years we will lay aside for use in the poor years a reasonable supply. That is the first purpose.

In order that we may accomplish that, and in order that the farmer may be induced not to overproduce, we seek to offer him certain rewards, certain benefits. That is the purpose of these payments. We want to say to the farmer, "If you are willing to restrict your production within these limits, you will receive a reward in two forms—first, an increase in the price of your product due to the restriction of production; and, second, a cash payment as an added inducement."

If we make the payment adequate to induce the farmer to restrict his production, it ought not to be necessary to go, as in the case of cotton, to an artificial parity of 16½ or 17 cents a pound, for instance, which means at least 5 cents a pound above any price we have any reason to expect in view of the changes in the world marketing conditions. That is, it is not the object of the bill, as I see it, and it should not be the purpose of the Government, to pay excessive prices to the

farmer over and above the amount that is necessary to induce him to cooperate in the ever-normal-granary program.

That is, we want to provide an adequate supply of the necessities of life every year and to avoid excessive and destructive supplies in the overabundant years. It seems to me that when we speak of parity prices, unless in some way we redefine them, unless in some way we restrict the payments, we shall find ourselves confronted with the demand of the farmer that we pay him the parity price regardless of how much it may cost us.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. McGILL. Does the Senator from Colorado construe the bill, regardless of the amount appropriated, to guarantee at all times parity price to the farmer?

Mr. ADAMS. I will say to the Senator from Kansas that I am afraid that while the bill does not guarantee the parity price, it holds out that expectation to the farmer.

Mr. McGILL. I will say to the Senator from Colorado that it does not hold out anything of the kind. There are certain provisions of the bill, if we provide the necessary amount, which hold out the expectation of a parity payment and a certain reserve loan value. That reserve loan value and the amount of the parity payment are set forth in the schedule contained in the bill, which has been in the bill from the time of its introduction, and which clearly discloses that under certain circumstances the farmer would not receive a parity price and does not hold out that expectation.

Mr. ADAMS. I share with the Senator from Kansas the hope that if we restrict production upon wheat and upon corn—the two crops with which I have some familiarity—we will produce through normal economic prices the equivalent of a parity price; but I do not think that is possible in reference to some other crops included in the bill. In any event, if the operation of the restrictions on production will result in parity prices, or approximately parity prices, of course, we shall not need any great appropriations. That is, if we are going to produce parity prices for the farmer, the producer of these crops, there is no occasion for great appropriations. I am assuming that the bill will accomplish its purposes and, therefore, that there will be no occasion for authorizing vast appropriations in excess of what will be required if the results measure up to the expectations of those who are sponsoring the bill.

Mr. McGILL. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. McGILL. The point to which I am directing the Senator's attention is that as the price goes down the loan value depreciates, and parity payment becomes more under schedule A, but would not reach a parity price to the farmer. It is when the price is high that the farmer has the opportunity or hope of getting a parity price.

The Senator in his statement, as I understood him, contended that the bill held out the hope to the farmer that he would at all times receive parity prices. I contend that the bill does not contain any such provision as that.

Mr. ADAMS. In the very first paragraph of the bill it provides:

> It is hereby declared to be the policy of Congress to regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, and rice to the extent necessary to provide such adequate and balanced flow of such commodities as will, first, maintain both parity of prices paid to farmers for such commodities marketed by them for domestic consumption and export and parity of income for farmers marketing such commodities.

That is the declaration of the purposes of the bill in its opening sentence.

Mr. McGILL. If production is so adjusted as to bring supply to the amount which the markets, both domestic and foreign, will consume and take, and not above that, we shall arrive at that very end. The point I make is that so far as an appropriation is concerned and so far as parity payments are concerned the bill does not provide a guaranty of parity price.

Mr. ADAMS. How much does the Senator think will be required to meet the promises of the bill in money?

Mr. McGILL. How much production?

Mr. ADAMS. No; how much in money does the bill reasonably require to be appropriated?

Mr. McGILL. It depends entirely upon how much is produced, how much is placed in storage, and to what degree it is desired to bring up market prices. In other words, the lower the market price—if schedule A is carried out—the higher the appropriation would have to be.

In my judgment, if the bill is administered in the manner in which I indicated I thought it ought to be administered the first time I discussed the measure, it will cost less than the present soil-conservation program costs. However, I do not agree with the Senator from Colorado [Mr. ADAMS] or the the Senator from Michigan [Mr. VANDENBERG] that there should be a ceiling or a limitation or a sum fixed in this authorization for an appropriation, because it is authorizing an appropriation each year; not just this year; not just what the Government could bear this year; not just what might be the situation as to a Government appropriation this year, but each year this law remains in effect.

The PRESIDING OFFICER. The time of the Senator on the amendment has expired.

Mr. ADAMS. Mr. President, I am speaking on the bill. I used up my time on the amendment the other day, so I am now speaking on the bill.

Mr. McGILL. I do not wish to take more than necessary of the Senator's time.

Mr. ADAMS. That is all right.

Mr. McGILL. In other words, my judgment is that the bill clearly provides that the Secretary shall prorate among the farmers, if the amount appropriated is not adequate to make full parity payments, the sums which may be due as parity payments; and it would seem to me entirely unfair to put in here a limitation or a fixed sum which would prevent the Appropriations Committee from recommending or the Congress from appropriating the necessary amount.

Mr. ADAMS. The Senator knows that the Appropriations Committee may not recommend a bill appropriating "such sum of money as may be necessary." The Appropriations Committee is forced to fix a definite appropriation. Why should not those who are familiar with the bill—as the members of the Appropriations Committee cannot be—tell us the amount, rather than to put that burden over on the Appropriations Committee? Because that amount must be fixed, and it must be fixed by the current Congress.

Mr. McGILL. At the time this matter was before the committee I was advised that there are a number of laws, general statutes, on the books in which language identical with this has been used, and which constitute the only authorization upon which the Appropriations Committee acts. I understand that that is true in the case of the T. V. A. and some other acts. I can see no reason to draw a distinction between this and other measures.

Mr. ADAMS. The Senator has an advantage over me, because he thoroughly understands the bill. I am forced to confess that I do not. He refers to schedule A, and I have not been able to master schedule A; so I confess that the Senator has that advantage. But there are other members of the Appropriations Committee who are laboring under the same lack of understanding; so what I am saying is that the Senators who know the bill, who have studied it, who have written it, ought to be able to tell the Appropriations Committee in figures how much money ought to be appropriated by that committee.

Mr. McGILL. As a member of the Appropriations Committee, the Senator, I think, should advise the Senator from Kansas, who is not quite as capable with regard to appropriation measures as the Senator from Colorado, how we make appropriations under other laws where the language is identical with this.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. NORRIS. The Senator has propounded a very proper question. Perhaps it cannot be answered, but it seems to me it is answerable, and, as I see it, rather simple.

The Senator asked the question, Why do not the Committee on Agriculture and Forestry fix the limit, and why

they put that burden on the Appropriations Committee? It is true that that is what the bill does; but I should like to say to the Senator that the reason therefor, as I see it, is that neither the Committee on Agriculture and Forestry nor the Senate at the present time can tell how much money is going to be necessary in any given year in the future; but the time when the Appropriations Committee will be called upon to appropriate will be at the close of the year, when they will have before them facts which will show exactly how much money it is going to take. I realize that it is logical to want a limitation.

I think what I have said answers the Senator's question, if it can be answered satisfactorily.

Mr. ADAMS. Mr. President, the Appropriations Committee will be forced to make its first appropriation before any more information is available than is available today.

Mr. NORRIS. I may be wrong about it, but I did not understand that to be the case.

Mr. ADAMS. The appropriation to cover this matter must be made before the beginning of the next fiscal year; that is, on or before the 1st of July. As to subsequent years, Congress will have adequate time. It seems to me we ought not to leave this provision without limitation.

Mr. NORRIS. How can we provide a limit when we do not know what it ought to be?

Mr. ADAMS. I say we ought to know how much money we are willing to spend for this purpose. We are offering inducements to the farmer to restrict his production. How much are we willing to give the farmer? That is the question. The President of the United States, as I understand, has indicated that we ought not to go beyond one-half billion dollars. The committee that drew the bill, after careful study and scrutiny, with the aid of the Department of Agriculture, put a limit of $400,000,000 upon the bill.

We must recognize, Mr. President, that of every dollar we appropriate for this purpose, at least 50 cents means added debt. We are approaching the time when taxes will become more and more serious, when debts will become more and more serious; and it seems to me that, as the Senate of the United States, with the aid and advice of the gentlemen who have lived with this bill for months, we should be able to say how much money we propose to ask the Appropriations Committee to recommend.

Mr. NORRIS. Mr. President, will the Senator yield?

Mr. ADAMS. I yield.

Mr. NORRIS. How is the Committee on Agriculture and Forestry or the Senate going to tell now how much money will be necessary to carry out this program 2 years from now? It may not require a single penny in 2 years, and it may require an enormous sum.

Mr. ADAMS. I will say to the Senator from Nebraska that if we take care of the first year we shall have a considerable amount of information to enable us to take care of the second year. We should not leave the roof off the first year because we do not know what is going to be needed the second year. It seems to me that the burden of the responsibility for fixing the amount rests upon the Senate.

I say to those who are interested in the bill that they will be terribly disappointed if the Appropriations Committee, without any indication from them as to what is needed, puts the limitation so low that they think it is inadequate. It is not fair to evade this responsibility. It is a question that ought to be answered, and that ought to be answered on the floor of the Senate by those who are sponsoring the bill.

It has been answered at times. The Senator from Kansas [Mr. McGILL] but a moment ago said that in his judgment it would not take any more than the amount appropriated for soil-conservation purposes. A few days ago the Senator from Washington said that in addition to the soil-conservation money, in his judgment $209,000,000 would be adequate, based upon a study of 8 years of crop averages.

So we do have some information, and all the information we have would indicate that the limit which was put in the bill by the gentlemen who drew the bill, and who then seemed to have the necessary information, was adequate. All I am asking is that the amendment which was put in the bill be rejected and that we put the bill back in the form in which it was when the Senator from Kansas and the Senator from Idaho introduced the bill.

Mr. BARKLEY and other Senators addressed the Chair.

The PRESIDING OFFICER. Does the Senator from Colorado yield; and if so, to whom?

Mr. ADAMS. I yield first to the Senator from Kentucky.

Mr. BARKLEY. I understand that the soil-conservation appropriation of $500,000,000 for the coming year—that is, up to the beginning of July—has already been made, so we do not have to worry about that. That is already available.

Mr. ADAMS. The Senator is correct.

Mr. BARKLEY. But if we put on this ceiling for the first year, of course it will apply to all future years.

What I am concerned about is this: I am as anxious as it is possible for anybody to be to hold down the appropriations and the amount of these payments; yet at the same time I can realize that in some years we may not need more than two hundred million or three hundred million dollars, while the following year, or 2 years later, we may need $600,000,000. Although we might get along with two or three hundred million dollars in some years, because of the more successful operation of this measure, does the Senator feel that no matter how much we might need in a subsequent year, we ought not to be allowed to appropriate more than $500,000,000.

Mr. ADAMS. Of course not. The Senator from Kentucky is familiar with the processes of this body. He knows that the next Congress may change the limitations. Every Congress is the master of its own appropriations. It may authorize additional appropriations without limit. The Senator from Kentucky knows, and it has been my experience, that practically every effort that has ever been made on the floor of this body to reduce appropriations has been defeated. I do not think there is any occasion to worry about the liberality of the Senate of the United States in the matter of appropriations, particularly if they are in aid of the farmer.

Mr. BARKLEY. At the same time, if the Senator will permit me, while of course it is true that Congress may each year change the limitation by substantive acts, it has to be done by an authorization. Otherwise, an appropriation exceeding the amount of the limit asked for in the amendment of the Senator from Michigan [Mr. VANDENBERG] would be subject to a point of order; and the Senator from Colorado realizes that. So before we could appropriate any more than that for any year, although $100,000,000 more might be needed, it would be necessary for Congress to enact a bill increasing the authorization.

Mr. ADAMS. Let me say to the Senator from Kentucky that he and I are anxious to have this program effective if it is enacted. If it is effective, as is hoped, the amount of money needed next year will be less than the amount needed this year. Instead of having the appropriations increased, if the program carries out the hopes of those who are back of it, we shall need less money rather than more. Our difficult year is the first year.

Mr. BARKLEY. Not necessarily. It is a difficult year, but there are multiple conditions. In any given year in the future which we cannot now foresee, however effective this measure may be in normal years, it is possible that we may have a combination of seasons, weather, fertility of soil, and all that which may make it necessary to pay out more in soil-conservation and in parity payments, say, in 1940 or 1942 or 1939.

Mr. ADAMS. Let me appeal to the leader of the Democratic majority not to take off the bridle. He, more than any other man save one, is going to be responsible if the Congress goes beyond its proper scope in making appropriations. Let me urge that we err, if we do, along the line of being a little careful with our appropriation, rather than leaving it utterly limitless, as the bill now does.

Mr. BARKLEY. I am not uneasy about that. I appreciate the suggestion of the Senator, and his caution to me in the assignment I temporarily occupy.

Mr. ADAMS. I did not mean it as a caution to the Senator from Kentucky.

Mr. BARKLEY. But I have faith that any Congress which is called on to appropriate money to carry out the provisions of this bill will be just as anxious and just as meticulous as we are now in making the appropriations.

I do not want Congress to leave the thing without some sort of limitation. I do not want to take off the bridle, but I do want the law so adjustable that we may consider a period of years, and not have to consider a limitation each year as being necessary, for fear that Congress itself may run away without a bridle and without a limitation.

I desire to state frankly that if in any year we should need only $250,000,000 or $300,000,000 to carry out this program, I should be willing in any following year to go to an amount larger than the $500,000,000 limitation sought in the amendment now pending if it were necessary to level off and even up this process of maintained prices in conjunction with the ever-normal granary which is provided as a part of the bill.

While I admit, with the Senator, that the ever-normal granary is one of the basic considerations of the bill, if it were not for the fact that we are trying to maintain farm prices the ever-normal-granary part of the bill would not be here.

Mr. ADAMS. That is true; but, Mr. President, this is the most difficult bill to understand that has ever been on my desk. There are a few men here who understand the bill. There are many of us who do not.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

Mr. ADAMS. In just a second. It does seem as if the men who have drawn the bill, and who come here as the sponsors of the bill, ought to know how much the taxpayers of the United States are going to be called upon to pay under the complicated bill which they have drawn, at least within some limits; and they ought to be willing to have a limit put upon the appropriation which is within the amount that they themselves admit is all they think will be called for.

I now yield to the Senator from Wyoming, if I may say that my time is about up.

Mr. O'MAHONEY. I shall not take the Senator's time. When he has finished I shall ask him the question I intended to ask, and then he may answer it in my time.

Mr. ADAMS. I thank the Senator.

Mr. President, we are confronted in this country with a fiscal situation which demands that we give some consideration to economy in our national administration. If we begin the special session of this Congress with a wide-open appropriation authorization without any limit, I say that we are not doing our duty. I think we should put on the limit which the gentlemen who drew the bill said was enough when they introduced the bill. I think it is enough; and one other thing:

In the bill, we are not limiting the money to come out of the Treasury to the $400,000,000 which was authorized by the bill; but—and I desire the attention of the Senator from Oregon—the $100,000,000 which is to be subscribed to the capital stock of the loan organization is in addition to the $400,000,000. It is not a part of it. In addition to that, there is an authorization for the issuance of obligations to the amount of $500,000,000 more. In other words, the bill as it came into the Senate from the draftsmen authorized liabilities and appropriations of $1,000,000,000—$400,000,000 of appropriations, and $600,000,000 to be loaned. Of course we all hope that the $600,000,000 will come back; but $100,000,000 must be appropriated in addition to the $400,000,000. Therefore I am hoping and I am urging that the amendment of the Senator from Michigan, which limits the appropriation to $500,000,000, be put on the committee amendment, and then that the committee amendment, as so amended, be rejected, and that the bill be allowed to stand with the $400,000,000 limitation originally in the bill.

The PRESIDING OFFICER. The time of the Senator from Colorado on the bill has expired.

Mr. O'MAHONEY. Mr. President, the question I was about to propound to the Senator from Colorado is based upon the language of the committee amendment which appears on pages 80 and 81 of the bill. I wish to ask the Senator if, upon reading that amendment, he does not regard it as a complete confession of the validity of the argument he has just made.

The committee has recommended an amendment which provides, in effect—and the Senator from Kentucky [Mr. BARKLEY] called attention to this—that if, in any marketing year, the payments estimated to be made under the bill shall exceed the amount appropriated, then the Secretary shall reduce the payments pro rata. That is an explicit statement by the Committee on Agriculture and Forestry that there ought to be a limit upon the expenditures under the bill; and yet the language to which the Senator from Colorado [Mr. ADAMS] takes exception is an authorization for an annual appropriation of so much as may be necessary. So if that language stays in the bill as it is written now by the committee, this other committee amendment never can come into effect, and the full payment will be made just exactly as the Senator from Colorado has argued.

Mr. ADAMS. Inevitably, I will say to the Senator from Wyoming, or the Senate or its committees will be accused of bad faith and not living up to their solemn promises. In addition, I recall the Senator's attention to page 3, line 19, where the bill provides that—

> Under adjustment contracts there shall be made available to contracting farmers * * * first, Soil Conservation Act payments hereinafter specified; second, surplus reserve loans; and, third, parity payments.

The bill provides that they shall be made available; and if a limit is not put on, as suggested in the section called to my attention by the Senator from Wyoming, we shall be accused of bad faith.

Mr. O'MAHONEY. Furthermore, Mr. President, it is a fact which every Member of the Senate knows, particularly every member of the Appropriations Committee, that the appropriations are made for a succeeding fiscal year. The estimates will come to the Appropriations Committee from the Budget Bureau, based upon the directions contained in the bill, for the payments which the Secretary must make. Therefore, if there is no limitation upon the amount of the authorization, the committee will be accused, just exactly as the Senator from Colorado says, of breaking faith with the beneficiaries under the bill if the entire appropriation on which there is no limit is not made.

Mr. ADAMS. I may say to the Senator that I think the Director of the Budget, when he is confronted with the bill if it should be enacted as the committee recommends it, would have some problem to decide what recommendation he should make other than full parity payments. It seems to me he would feel obligated to send up a recommendation of full parity payments according to the statistics he could get from the Agricultural Department; and he could not say "Well, I think perhaps we ought to pay only part of the parity payments," because he would be promptly told, "Your duty is to make Budget recommendations in accordance with the law as it stands on the statute books."

Mr. O'MAHONEY. And let me add just one other word, Mr. President. Since it would——

Mr. POPE. Mr. President——

Mr. O'MAHONEY. May I just finish the sentence? Since it would appear, from the arguments advanced on behalf of the committee, that it is the hope of the committee that the bill will operate to raise the price of the affected commodities in the market, and thereby increase the income of farmers, and thereby make it unnecessary for the Government to make huge appropriations to meet parity payments, it seems to me there can be no logical reason why the committee should be unwilling to make an outside estimate beyond which expenditures are not likely to go, and be content to receive a limited annual appropriation of that amount.

I now yield to the Senator from Idaho.

Mr. POPE. Mr. President, I desire to ask the Senator from Wyoming if he agrees with the Senator from Colorado that certainly a limitation should not be placed in the bill for a longer time than 1 year.

In the amendment offered by the Senator from Michigan, the expression appears "for each fiscal year for the administration of this act." That means that if the act is in existence for 20 years, the amount that we might now estimate would prevail year after year during that period of time, absolutely "frozen" for that period, regardless of whether or not the House may adopt processing taxes for the very purpose of making these payments; still, they could not be used. Any tax that the House might desire to originate, under the suggestion of the President that additional revenue be made available, would still be limited to the amount which is now to be fixed, although the bill may be permanent legislation, and is expected to operate at least for a number of years.

Mr. O'MAHONEY. Will the Senator be good enough to call my attention to the particular language he has in mind?

Mr. POPE. Yes.

Mr. O'MAHONEY. My attention was diverted for a moment, and I did not quite get the Senator's argument.

Mr. POPE. On page 78 of the bill the Senator will see this language, beginning in line 11:

> Beginning with the fiscal year commencing July 1, 1938, there is hereby authorized to be appropriated, for each fiscal year for the administration of this act and for the making of Soil Conservation Act payments—

And so forth. If the amendment should be made as suggested by the Senator from Michigan, it would mean that for all time in the future, at least for the next 20 years, we would freeze that amount, although additional revenues might be raised as suggested by the President. The Senator well knows processing taxes are discussed. Processing taxes may be imposed by the Congress to go to the benefit of the farmer, and yet they could not be utilized because we would have disposed of the amount for all time in the future. Does that seem reasonable and fair to the Senator?

Mr. O'MAHONEY. I confess I do not quite follow the argument of the Senator. I should like to get clear in my mind what he has in his mind. The language under discussion provides:

> Beginning with the fiscal year commencing July 1, 1938, there is hereby authorized to be appropriated, for each fiscal year for the administration of this act and for the making of Soil Conservation Act payments and parity payments under this act, such sums as are necessary.

Mr. POPE. I ask the Senator to consider that if the amendment offered by the Senator from Michigan should be adopted, incorporating the words "not to exceed $500,000,000," and if that phraseology should be frozen into the bill for all time to come, regardless of whether the Government needs to pay a dollar of parity payments or not, or whether it may be necessary to have more than $500,000,000, our hands would be tied.

Mr. O'MAHONEY. If the Senator from Idaho and the Senator from Kansas [Mr. McGILL] would indicate to me what, in their judgment, would be the normal expectation of expenditures during the fiscal year, I should be very glad to offer a substitute for the amendment which is pending, in order to write that figure in the bill and make it apply for the fiscal year.

Mr. GLASS. Mr. President, why does the distinguished Senator from Idaho [Mr. POPE] persist in saying that whatever figures may be placed in the bill will be there for all time? Does he not realize that succeeding Congresses can change the enactment? Does he not know there is such a thing as a deficiency appropriation bill which may authorize the Congress to appropriate in excess of a previous authorization?

Mr. POPE. Certainly. Would the Senator feel it advisable, if a War Department were created for the first time which would require operating expenditures from year to year, to pass a bill creating the department and fixing the authorization of funds for 20 years in advance?

Mr. GLASS. I do not conceive it is fixed for 20 years in advance because each succeeding Congress may alter the authorization.

Mr. ADAMS. Mr. President, may I invite attention to the unfortunate reference to the War Department? The Constitution limits the appropriations for the War Department to 1 year at a time.

Mr. McKELLAR. Mr. President, I desire to offer an amendment to the amendment of the Senator from Michigan. At the end of his amendment I move to add the words "for the first year."

Mr. VANDENBERG. Mr. President, is that in order?

The PRESIDING OFFICER. It is an amendment in the second degree and is in order.

Mr. GILLETTE. Mr. President, I desire to invite attention to the situation as it would be if the amendment of the Senator from Michigan should be adopted and the amendment proposed by the committee should be adopted as amended.

The original language of the section provides for the appropriation of $400,000,000, an authorized appropriation; then $250,000,000 from the Soil Conservation Appropriation Act, section 15, and an additional $50,000,000 from section 32 of the A. A. A., making a total of $700,000,000.

The original section provided then for $700,000,000. The committee in the amendment reported struck out these definite appropriations and provided that for the purpose of making soil-conservation payments, parity payments, and administrative needs, "such sums as are necessary" are authorized, and in addition we added the language found at the bottom of page 78 that there should be made available from the soil-conservation appropriation every year 55 percent thereof.

If the amendment submitted by the Senator from Michigan should be adopted and the committee amendment should be adopted as amended, there would be available $775,000,000 rather than the $500,000,000 which the Senator stated he wishes to impose as a limitation. There would be available under the authorization a limit of $500,000,000 and in addition the $275,000,000 made available under the annual appropriation carried in the Soil Conservation Act.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. GILLETTE. I yield

Mr. BARKLEY. The Senator is discussing the situation, as I understand, as it would be if the committee amendment should be defeated. Is that correct?

Mr. GILLETTE. No.

Mr. BARKLEY. The committee amendment would strike out the $400,000,000 and $250,000,000 and $50,000,000, but if adopted that would not be the total made available. The total made available would be the $500,000,000 carried in the amendment of the Senator from Michigan. How does the Senator from Iowa figure that we would still have $400,000,000, $250,000,000, and $50,000,000?

Mr. GILLETTE. May I say to the majority leader that I believe he misunderstands me, and it is my neglect in making myself clear.

Mr. BARKLEY. Not at all. It is my inability to understand.

Mr. GILLETTE. The original section provided for $400,000,000, $250,000,000, and $50,000,000, or a total of $700,000,000. The committee struck that out and proposed that we should make available 55 percent of the soil-conservation appropriation and in addition the authorization of such additional sums as may be necessary. That is the committee amendment now pending.

The Senator from Michigan proposes to amend that by changing the language "such sums as are necessary" to a limitation of $500,000,000, but the availability clause at the bottom of the page would leave available an additional $275,000,000.

Mr. VANDENBERG. Provided the appropriation should be made.

Mr. GILLETTE. It would be available by virtue of the language contained in the text of the bill as reported by the committee. If the Senator's amendment should be adopted, placing a ceiling of $500,000,000 on the authorization, and the committee amendment should be adopted as amended, there would be available and authorized the $500,000,000 and the $275,000,000 which is made available directly by the provisions of the amendment, or a total of $775,000,000.

Mr. McKELLAR. Mr. President, I desire to offer a substitute for the entire amendment.

The PRESIDING OFFICER. The substitute will be stated.

The CHIEF CLERK. In lieu of the amendment heretofore offered by the Senator from Michigan, it is proposed to insert:

Not exceeding $450,000,000 for the fiscal year beginning July 1, 1938.

Mr. VANDENBERG. Mr. President, a parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. VANDENBERG. Is not the substitute in the third degree?

The PRESIDING OFFICER. Does the Senator from Tennessee submit that in place of the other amendment?

Mr. McKELLAR. I withdraw my first amendment, and in lieu of the amendment offered by the Senator from Michigan I offer this language as a substitute.

The PRESIDING OFFICER. That is in order.

Mr. BANKHEAD. Mr. President, does that contemplate an increase in the $500,000,000 appropriation authorized by the Soil Conservation Act?

Mr. McKELLAR. No; it does not.

Mr. BANKHEAD. Does it contemplate a reduction?

Mr. McKELLAR. It constitutes a limitation of $450,000,000 on the amount to be used under the bill this year.

Mr. BANKHEAD. That would include the $275,000,000 made available on the 55-percent basis. Would it also include the $100,000,000 included for the Loan Reserve Corporation?

Mr. McKELLAR. It would limit the amount to be used this year.

Mr. BANKHEAD. Within the limitation is there included the $100,000,000 provided under the loan clause? There is $275,000,000 made available. The Senator from Tennessee proposes a limitation of $450,000,000. Does that contemplate an increase over the $275,000,000?

Mr. McKELLAR. In my judgment it does not affect the $100,000,000 loan, and I am advised, by those who know more about it than I do, that that is correct.

Mr. BANKHEAD. The Senator would increase the amount from $275,000,000 to $450,000,000 for the purpose of carrying out the provisions of the bill?

Mr. McKELLAR. There would be a limitation of $450,000,000.

Mr. BARKLEY. Mr. President, inasmuch as the Senator's amendment would not take effect until July 1, 1938, which would be the beginning of the next fiscal year, the 55 percent appropriated for soil-conservation payments would depend on the amount of the appropriation for that fiscal year. It so happens it is $500,000,000 up to July 1, 1938, and 55 percent of that is $275,000,000; but Congress will have to make an appropriation for the fiscal year beginning July 1, 1938, in order to know how much the 55 percent would be.

Mr. McNARY. Mr. President, I am not sure that the Senator from Tennessee [Mr. McKELLAR] has properly analyzed his amendment. He proposes a limitation of $450,000,000 for the administration of the bill if it should become an act. It must be remembered that 55 percent of this amount of money must go to parity payments, leaving $225,000,000 for soil-conservation payments. Then if we deduct therefrom $100,000,000, of which he takes no account, for capital stock of the Loan Corporation, we have not very much money available for soil conservation. I only suggest that to the Senator from Tennessee in order that he may further analyze his proposal.

Mr. SMITH. Mr. President, this bill and its forerunner and the Soil Conservation Act were all predicated upon parity payments to the farmer when he should have subscribed to certain conditions. We went to great length to determine what were parity payments. That term was understood to mean that the purchasing power of the dollar which the farmer would receive for his products should be equal in its effect in the market with the dollar received by the industrialist. We went back and got the statistics for prior years when, according to the statisticians, these two factors were about 100 percent each. We have so announced in this bill, that the farmer, if he subscribes to certain conditions, shall be given parity payments under the definition that his dollar, when he gets it, shall be equal in purchasing power to the dollar of the industrialist. The wheat grower, the corn grower, the cotton grower, the growers of all the articles contemplated in the bill, are assured by the terms of the bill that they will get parity payments.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. CONNALLY. Has the Senator consulted the committee amendment on page——

Mr. SMITH. I am not talking about any committee amendment; I am leading up to that now.

Mr. CONNALLY. The payments will have to be prorated if a sufficient amount of money is not available to pay them all in full.

Mr. SMITH. Exactly. You have educated the farmer to look for parity payments. Now you have come to the sorry pass of telling him, "Whatever you subscribe to and whatever regulations we may subject you to, all you will get will be the amount that is appropriated."

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. VANDENBERG. I do not see how the Senator can escape the question submitted to him by the Senator from Texas. That is absolutely what the Senator's own bill says on page 80.

Mr. SMITH. Whose bill? [Laughter.]

Mr. VANDENBERG. I apologize to the Senator. He is only the chairman of the committee.

Mr. SMITH. The Senator is a part of the Senate of the United States, and this is a matter which ought to receive the earnest and honest effort of every American citizen. This is not a partisan matter; there should be a real, honest-to-God effort on the part of every man here to benefit the farmer, who can look only to his State and his Nation for fair treatment under the law.

Mr. VANDENBERG. Mr. President, the best proof that my question was not partisan is the fact that the Senator from Texas and I join.

Mr. SMITH. Mr. President, we started out with a very brave program, saying that we were going to lift the purchasing power of the farmers up to that of the industrialist's dollar. Now we are spending a whole afternoon trying to prove that we can give the farmer only the amount the Appropriations Committee will recommend, or the amount that we can possibly spare. After we have been disgustingly and foolishly liberal along nonconstructive and nonproductive lines, we say to the farmer, "You have to cut all of your hopes within $500,000,000, for all purposes, soil conservation, and parity payments, and $100,000,000 to be put into the loan organization."

Mr. BORAH. Mr. President, will the Senator yield?

Mr. SMITH. I yield.

Mr. BORAH. If we limit this amount to $500,000,000, what will the effect be on the soil-conservation program?

Mr. SMITH. It will just be cut down to whatever amount is left, after it is decided what pittance will be appropriated for parity payments. That is what it will amount to.

Mr. BORAH. I am interested in the soil-conservation program. As I understand the limitation here, it will necessarily limit the amount of money paid below $500,000,000 that we are to utilize for soil conservation.

Mr. SMITH. Certainly. If $275,000,000 is taken out for parity payments and $100,000,000 taken out for stock in the loan organization, the balance will be the amount available for soil conservation. We make great promises and hold out hope to the agricultural people, to the farmers, and then say, "Well, now, for some reason or other we have to reduce all your hopes and all your prospects within the limitation of the prescribed amount."

When this matter came before the committee we employed the language that was used in the establishment of the T. V. A. and other prospective enterprises of the Government. There is not a man here who can tell what it will cost if we are to carry out the provisions of the bill. He cannot come within two hundred million or $300,000,000 of it. You have made the farmer a promise, and then denied it in the application.

Some have consulted with me as to what would be the proper language, and we provided that as much is authorized as is necessary to carry out the provisions of the bill. And what were the provisions? It was provided that if he subscribed to certain things he would get parity, and parity was defined as being 100 percent of the purchasing power of the industrialist's dollar.

Now we have come to where it means a small parity payment for this year and perhaps for next year without regard to what the farmer has to pay for what he buys. There has been no attempt here to limit the price he has to pay if he is to live at all, but there is a disposition to run in to limit the amount he receives with which to buy the things he has to buy. You have not laid your hand to the task of attempting to bring about a condition that would lower the prices of the things the farmer has to buy, but now you have taken off the veil, the camouflage, and said to him, "The Treasury cannot stand any more, the taxpayers cannot stand any more. You furnish the food they eat and the material out of which the clothes and the shoes they wear are made, but you will not be any better off than you were before, because we cannot afford it."

Mr. President, that is the logical sequence to which we have come with the limitation of appropriations. Who says otherwise? What limitation did we impose when we voted in this body to relieve the unemployed? $4,800,000,000! What did Congress do when it came to the question of building $1,000-room houses for the slum dwellers? Congress appropriated $770,000,000, and $20,000,000 a year for 60 years.

What did Congress do when it came to the question of appropriating for the idle and unemployed? Gave a blank check for $1,500,000,000. And now, for the men who produce the food for the whole Nation, and the material out of which the whole Nation is clothed, and the material out of which the shoes we wear are made, we reduced the payments to within the pitiful scope of $500,000,000.

Mr. President, I have been here working with all the power I have to try to bring about some element of equity and justice so that I could go and confront my people and say to them, "Yes, I voted to relieve the idle; Congress voted $770,000,000 to build $1,000-room houses for those who never produced a bushel of wheat, a pound of cotton, or anything the people have to wear or eat." It is not fair for us to state the reason why, oh, no. But we know why that money has been poured out ad libitum.

Mr. President, I belong to the great class of farmers in my country. I wish to God they could be organized as compactly as labor is organized. If they were, the result here would be different. There is not a man here who dares deny that. If they were organized as completely as certain organizations are today, the picture would be reversed. There would be several billion dollars appropriated for them, and less for these others.

We have the miserable spectacle of the United States Senate standing here, with a knowledge of the destitution of the farmers of this country, men burdened by debts, burdened by mortgages, and we here shedding great gobs of brine about the terrible condition of the tenant farmer. Why is the tenant farmer in the terrible condition in which we find him? It is because the landowner himself is in like condition.

We hear the argument, "What are you going to say? Are you going to fix something here because you ought not to pass the buck to the Committee on Appropriations? State here how much it should be."

Who knows how much the farmer will need in the fluctuation of his market place? The price of the shoes I buy is fixed by the organization which manufactures them. We pay the price or go barefooted. The price of the shirt I wear is fixed by the manufacturer, under the infernal tariff law, and we pay the price of the shirt or go without a shirt. The price of every single thing the farmer buys is fixed by the man who sells it.

The PRESIDING OFFICER. The time of the Senator on the amendment has expired.

Mr. BARKLEY. Mr. President, have I occupied any time on the amendment?

The PRESIDING OFFICER. Not on the amendment now pending before the Senate.

Mr. SMITH. Mr. President, I merely wish to say that on every amendment I will remind the Senate what it is doing. I give notice that I will do that.

Mr. BARKLEY. Mr. President, I desire to read the House provision in order that the Senate may understand what the House has done on this subject. The House provision reads as follows:

> Beginning with the fiscal year ending June 30, 1938, there is hereby authorized to be appropriated for each fiscal year for the administration of this act and for the making of soil conservation and other payments such sums as Congress may determine, in addition to any amount made available pursuant to section 15 of the Soil Conservation and Domestic Allotment Act, as amended.

That language is very simple; and, as I interpret it, it means that in addition to the $500,000,000 now available under the Soil Conservation Act, or any amount from year to year made available under that act, Congress is authorized to appropriate such sums as it may determine to be necessary. I think the language "such sums as are necessary" is better than the language used in the amendment of the Senate committee.

While it means the same thing, it does somewhat place on Congress a sort of moral obligation to appropriate whatever amount may be found necessary to carry out full parity payments if they should amount to more than $500,000,000.

It seems to me this matter must be worked out in conference anyway on account of the House language; and if we could clarify the language of the Senate bill so as to leave the matter in conference, it would be better than to have it involved in the manner it now is.

Mr. McKELLAR. Mr. President, after consultation with the Senator from Alabama [Mr. BANKHEAD], who is in charge of the cotton part of the bill, I am going to ask leave to withdraw my substitute, and offer in its place another amendment which has been agreed upon by those who are in charge of the bill.

The PRESIDING OFFICER. The pending amendment is withdrawn. The clerk will state the amendment now offered by the Senator from Tennessee.

The LEGISLATIVE CLERK. On page 78, line 16, after the word "necessary", it is proposed to insert the following:

> *Provided*, That for the fiscal year 1938–39 not more than $275,000,000 shall be spent for carrying out the parity payment provisions of this act, and not more than $225,000,000 shall be spent for carrying out the provisions of the Soil Conservation and Domestic Allotment Act.

Mr. McKELLAR. Mr. President, I now yield to the Senator from Alabama [Mr. BANKHEAD] to make an explanation, if he so desires.

Mr. NORRIS. Mr. President——

The PRESIDING OFFICER. Does the Senator from Nebraska desire to make a point of order?

Mr. NORRIS. I should like to have the floor.

Mr. BANKHEAD. Mr. President, I will defer to the Senator from Nebraska, if he desires the floor.

The PRESIDING OFFICER. The Senator from Michigan [Mr. VANDENBERG] proposed an amendment after the words

"such sum", in line 16, on page 78. The amendment offered by the Senator from Tennessee does not affect the amendment proposed by the Senator from Michigan, as his amendment comes in after the words "as are necessary." Therefore the amendment of the Senator from Tennessee is out of order. Does the Senator from Tennessee propose that his amendment shall come in after the place at which the Senator from Michigan proposed his amendment?

Mr. McKELLAR. I thought it came in at exactly the same place.

The PRESIDING OFFICER. The Chair will permit the Senator from Tennessee to ask that his amendment be inserted at the same place, so that the parliamentary situation will not be mixed up.

Mr. McKELLAR. I make that request, and I shall make the change while the Senator from Nebraska is speaking.

The PRESIDING OFFICER. The Chair recognizes the Senator from Nebraska.

Mr. NORRIS. Mr. President, I realize the desirability of limiting the appropriation if we can consistently do so, and I sympathize with those who feel that way. Under ordinary circumstances I should not have any hesitancy in supporting the amendment offered by the Senator from Michigan, but I think we ought to take into consideration the recognized facts.

We have indicated by language contained in the bill that we want to place provisions in the law which will bring parity to the farmer; but no one can now tell how much is going to be necessary in any year to do that. So, as I see the matter, we cannot with intelligence limit the appropriation to any specified sum. Farmers will be in danger of having to face the situation that we may not be able to redeem the promise that the bill holds out to them.

That comes about in a perfectly natural way. Whether or not we are going to need any appropriation after this year is not known. Whether or not we are going to need a much larger appropriation is not known, and cannot be known until the crop is harvested.

Mr. ADAMS. Mr. President, the Senator says we cannot have knowledge of the things to which he refers. I do not believe the Senator heard what was said by one of the recent speakers. The senior Senator from South Carolina [Mr. SMITH] told us very recently that he will keep us advised as to these matters; that he will keep us posted.

Mr. SMITH. Mr. President, will the Senator yield?

Mr. NORRIS. I yield.

Mr. SMITH. I did not promise to advise Senators. I promised to notify Senators as to what fools we are making of ourselves in connection with some matters.

Mr. NORRIS. Mr. President, on the one hand we are holding out a promise to the farmer for parity, and on the other hand we cannot tell in advance how much money it is going to take. We are confronted with a situation which I concede is a very difficult one, upon which honest men may disagree; but if we limit the provision, then we ought to put in the bill at the proper place a fair statement, so that any one who runs may read, that any intimation that we are going to give the farmer parity above a certain amount is nullified; that we are not going to do it.

The theory of the bill is that through the limitation of production, unless some extraordinary natural phenomena should happen, we are going to be able to put the farmer on parity without any money. That will occur when a small crop is raised, but it will not occur this year or next year if we have an extraordinary production of the commodities with which we are dealing. We have to take that chance. We have to take one course or the other. It is possible that we shall be put in the position of having to make an enormous appropriation to carry out the program. On the other hand we are striving to get in the position and put the farmer in the position where but little, if any, money will be required. If we limit the acreage sufficiently, and the production of crop is diminished, the amount of parity that we shall have to pay will likewise be diminished, and may be nothing.

I think we must take one of those chances. If we are going to try to bring the farmer to parity, then we ought to let the language alone as we have it, or probably modify it as I heard the language in the House bill read. It would not change the conditions very much. But we shall be in danger on one side or the other of running into a very difficult position. I believe, under the circumstances, we can afford to take the chances. The chances are just as good that prices will go down as that they will go up, and I do not believe it will take $500,000,000 to do the trick. As we limit the production, the chances of being in danger in that direction diminish almost to nothing.

The Senator from Colorado [Mr. ADAMS] very properly, I think, calls attention to the fact that the Appropriations Committee want to know what to do, and he wonders why the Committee on Agriculture and Forestry do not fix the limitation. That committee and the Senate do not claim any attributes of divinity, as I understand, and I do not know that even God knows what the weather is going to be 2 or 3 years from now. He probably does not keep track of it that long. We have no knowledge, no information, and cannot get it from any source that I know of, that will enable us properly to fix a limitation. The Appropriations Committee, however, when they take up the matter, will be in possession of information which the Senate now does not have. These payments are to be made, I understand, at the close of the working year when the crop is harvested. The payments are to be made at a time when everyone can know just what the production has been. It will be a very easy matter to fix the amount of the appropriation. I think we are safe in going on the theory that on the average, from one year to another, we shall not need to exceed $500,000,000, although we must admit that in some years we shall have to exceed $500,000,000, especially in the early stages of the working out of this bill if it becomes a law.

Some of those who are objecting to this bill—I can see a good many reasons why they may object to the bill, and I am not finding fault with them at all—complain that we are not going to give parity, and still on the other hand they are in favor of limiting the money and tying our hands so we cannot give parity in a given case. We cannot take both of those positions. Either we will provide in the bill for parity, or we will limit the appropriation, and thus make it impossible to get parity any time when an overproduction is had.

Mr. OVERTON. Mr. President, I find myself very much in harmony with the position taken by the Senator from Nebraska. I do not think there ought to be any limitation upon the appropriation. I do not see very well how we at this time can undertake to fix any specific amount to be appropriated in order to carry out the provisions of the bill, because the amount of the appropriation will depend upon market prices and other circumstances as they exist from year to year.

I am opposed to the amendment suggested by the Senator from Michigan. That amendment would limit the entire appropriation to $500,000,000. The authority for the appropriation covers three items. One is the administration of the act. The other is soil-conservation payments. And the third is parity payments under this act. We are today spending under the item of soil conservation approximately the sum of $500,000,000. If, therefore, the amendment of the Senator from Michigan is agreed to, and there is a limitation of $500,000,000 upon the appropriation, there will be a sum authorized to be appropriated that will cover at the most only conservation payments.

There will be nothing left for the expenses of the administration of the act. There will be absolutely nothing toward parity payments under the provisions of the act. In other words if we adopt the amendment suggested by the Senator from Michigan we shall be saying to the farmer "All that you can expect under this act is to get soil-conservation payments." It is my understanding that the overwhelming majority of the farmers have been in favor of this bill because there is a provision in it either that they will get parity or they will get something aproximating parity, or at least some contribution will be made toward parity. But if we are to say to them, "After you have complied with all of the drastic

provisions of this bill, after you have entered upon a curtailment program, after you have reduced production, after you have complied with all of the burdens and obligations imposed upon you by this bill, then all that you can expect is what you have been getting heretofore, and what you are getting today, and that is the soil-conservation payments"; then, Mr. President, we offer to the farmers no incentive to vote for a curtailment program, or to comply with the stringent requirements of this bill.

Mr. KING. Mr. President, will the Senator yield?

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from Utah?

Mr. OVERTON. I yield.

Mr. KING. I ask the Senator, if there are any burdens imposed in the bill, as he says there are, who imposes the burdens upon the farmer? As I understand, the farmers themselves are called upon to vote, and they are the ones who will impose the burdens upon themselves.

Mr. OVERTON. The burdens are the burdens provided for in the bill. They are certain requirements which are imposed upon the farmer in order that he may come under the benefits of the bill. What would be the benefits of the bill, so far as the monetary consideration to the farmer is concerned, if the amendment proposed by the Senator from Michigan should be adopted? Absolutely nothing. The farmer then would have everything to lose and nothing to gain if the bill should become a law. If there is a national-quota provision in reference to cotton, for instance, and he should not comply with the quota provision, then under the terms of the bill he would forfeit his conservation payments and would get no parity payments. Under the amendment proposed by the Senator from Michigan the best he could hope for, even under a strict compliance with the bill, would be to get the $500,000,000 which he is already getting as conservation payments.

Mr. President, during the discussion of this bill we have been talking about parity of income. I want to make an application of the philosophy of the bill in that respect to the cotton farmer. The 5-year average income of the cotton farmers during the base period of 1909–14 was $783,000,000, in round figures. During that base period the average cash income of the cotton farmer from the sale of lint cotton was $783,000,000. The price the farmer today has to pay for the things he buys is 30 percent higher than it was during the base period. Therefore the parity income of the cotton farmer today should be something in the neighborhood of $1,000,000,000.

But over and beyond that there has been an increase in the population of our cotton farms. During the base period the average population on our cotton farms was 9,388,000. Today it is 10,300,000. There has been, therefore, an increase in population on the cotton farms of approximately 1,000,000. Therefore the total income of the cotton farmer should be more than $1,000,000,000 in order to provide the income necessary to take care of the extra million people residing upon the cotton farms.

Let us look at it from another standpoint. Today the total national annual income is $63,799,000,000. The population on our cotton farms represents 8 percent of the total population of the United States. If the cotton farmers should get their proportion of the national income, they would be entitled to and would receive an income of over $5,000,000,000.

Under the administration of the bill it is proposed that there shall be a reduction program during the next year so far as cotton production is concerned. It has been stated often upon the floor of the Senate that it is proposed that the total production during the next year, and probably the year following, shall be curtailed to 10,000,000 bales. We cannot hope next year, I believe, to get more than 10 cents a pound for cotton. Ten cents a pound would be $50 a bale, and 10,000,000 bales would mean a total income to the cotton farmer from the sale of lint cotton of $500,000,000. If to that we add the $100,000,000 of conservation payments, which I hope he will continue to get, his total income will be $600,000,000.

Let us compare that with what is going on this year. This is supposed to be a bad year for the cotton farmer, and it has been a bad year for him. We had a production of 18,500,000 bales. The cotton farmers are receiving for marketing their cotton this season an average price of approximately 8 cents a pound, or $40 a bale. That amounts to $740,000,000 cash income from the sale of lint cotton by the cotton farmers during the present year. To that we add the $100,000,000 that they get from conservation payments, and they have a total of $840,000,000 income from this year's crop.

But what is the inducement held out to him under the bill if there should be a limitation of appropriation such as suggested by the amendment of the Senator from Michigan? What inducement would there be to the cotton farmer to enter upon any curtailment program? If he entered upon a curtailment program, he could not hope for an income probably in excess of $600,000,000, including Government payments.

Mr. BAILEY. Mr. President——

The PRESIDING OFFICER. Does the Senator from Louisiana yield to the Senator from North Carolina?

Mr. OVERTON. I yield.

Mr. BAILEY. The Senator makes it clear that the proposed legislation predicates a loss to the cotton farmers next year of $200,000,000.

Mr. OVERTON. It does if the amendment of the Senator from Michigan should be adopted and if the appropriation should be limited to $500,000,000 for conservation payments, administration of the act, and so-called parity payments.

Mr. BANKHEAD. Mr. President, will the Senator yield?

Mr. OVERTON. I yield.

Mr. BANKHEAD. Suppose we have another crop without limitation, and we produce approximately what we have produced this year or even 16,000,000 bales; does the Senator think it would bring more than 5 cents a pound?

Mr. OVERTON. I would not undertake to predict what the price would be.

Mr. BANKHEAD. The Senator has had experience enough to know it would go right to the bottom.

Mr. OVERTON. I think the price would go down, but how much it would go down I do not know and would not undertake to prophesy.

I do not think it is fair or just to the farmer to say to him, "Because we consider it to be a good national policy that there should be a curtailment of the production of your commodity, we shall ask you to do it, but we are not going to give you anything at all for doing it. We are calling upon you to conserve and build up the fertility of the soil of the United States, and we are paying you approximately $500,000,000 a year to do that job, and you are doing a good job of it, but now we do not propose to give you one red cent over and above that amount even though you should curtail your production."

What do we offer him? We offer only that which has been suggested by the Senator from Alabama. We offer only the hope that by reducing the volume of his commodity, by reducing what he has to sell upon the domestic and world markets, he will perchance get a higher price. That is all.

It is built entirely upon the philosophy of scarcity, without any compensation on the part of the Government to the farmer. So far as I am concerned, I am willing to curtail under a control program; but I am unwilling that the invitation should be given to the cotton farmer or the corn farmer or the wheat farmer to curtail his production and that he should get nothing for it over and above the soil-conservation payments which are now being distributed. If we are going to adopt it as a national policy, if we are going to call upon the farmers to curtail their production because we hope by doing so they would aid the economy of the United States, they would aid interstate and foreign commerce, then I say they are entitled to a just and fair compensation.

The PRESIDING OFFICER. The time of the Senator on the amendment has expired.

Mr. OVERTON. Mr. President, I will take my time on the bill. I wish to make this further observation: That beginning in 1909 and coming to this year, the average annual income of the cotton farmer from the sale of lint has been over a billion dollars; but during the period from 1933 to 1937 the cash income to the cotton farmer from the sale of lint cotton, plus all Government payments, has been $787,354,000.

Mr. NORRIS. That is the average?

Mr. OVERTON. That is the average. Certainly the production of cotton is in a deplorable state, and has been for the last 3 or 4 years. It has for the last 3 or 4 years been in a much worse state than it has been during the 28-year period to which I just referred.

Mr. President, what does the Government say to the cotton farmers under this proposed amendment limiting the appropriation to $500,000,000? It says to them, "We are going to let you have your conservation payments, and that is all we are going to let you have. But we are going to call upon you to curtail your production, because we think it is a better policy on the part of everybody, the Nation as a whole, that there should be a curtailment of production; but we are not going to pay you anything for that at all."

I am opposed to an amendment which would undertake to limit the amount to be appropriated under the bill. I think we have to start with the fact that we have to keep inviolate the amount necessary to meet the soil-conservation payments, and that is approximately $500,000,000. Then we have to have some additional sum for the administration of the proposed act, and, over and above that, we ought in the name of justice and of fair dealing to the farmers, make some contribution toward parity payments if they cooperate with us by reducing their acreage and the volume of their production.

Mr. President, I ask to have printed in the RECORD at the conclusion of my remarks some tables furnished by the Department of Agriculture, to which I referred in the course of my remarks.

The PRESIDING OFFICER. Is there objection?

There being no objection, the tables were ordered to be printed in the RECORD, as follows:

Price per pound of lint cotton required to bring income from sale of lint to $1,000,000,000, $800,000,000, $750,000,000, and $700,000,000, with varying size crops

Crop	$1,000,000,000 income	$800,000,000 income	$750,000,000 income	$700,000,000 income
	Price per pound	*Price per pound*	*Price per pound*	*Price per pound*
17,000,000 bales	11.76	9.40	8.82	8.23
16,500,000 bales	12.12	9.69	9.09	8.48
16,000,000 bales	12.50	10.00	9.37	8.75
15,500,000 bales	12.90	10.32	9.67	9.03
15,000,000 bales	13.33	10.66	10.00	9.33
14,500,000 bales	13.79	11.03	10.34	9.65
14,000,000 bales	14.28	11.42	10.71	10.00
13,500,000 bales	14.81	11.84	11.11	10.37
13,000,000 bales	15.38	12.30	11.54	10.77
12,500,000 bales	16.00	12.80	12.00	11.20
12,000,000 bales	16.66	13.32	12.50	11.66
11,500,000 bales	17.39	13.91	13.04	12.17
11,000,000 bales	18.18	14.54	13.64	12.73
10,500,000 bales	19.04	15.23	14.28	13.33
10,000,000 bales	20.00	16.00	15.00	14.00
9,500,000 bales	21.05	16.84	15.79	14.74
9,000,000 bales	22.22	17.77	16.66	15.55
8,500,000 bales	23.52	18.81	17.64	16.46
8,000,000 bales	25.00	20.00	18.75	17.50
7,500,000 bales	26.66	21.32	20.00	18.66
7,000,000 bales	28.57	22.85	21.43	20.00

Income on 7,000,000 to 15,000,000 bales at price levels from 7 to 17 cents per pound

Production		Cents per pound									
		17.0	16.5	16.0	15.5	15.0	14.5	14.0	13.5	13.0	12.5	12.0
Million bales	Billion pounds	Billions of dollars										
15.0	7,500	1,275	1,238	1,200	1,162	1,125	1,088	1,050	1,012	975	938	900
14.5	7,250	1,232	1,196	1,160	1,124	1,088	1,051	1,015	979	942	906	870
14.0	7,000	1,190	1,155	1,120	1,085	1,050	1,015	980	945	910	875	840
13.5	6,750	1,148	1,114	1,080	1,046	1,012	979	945	911	877	844	810
13.0	6,500	1,105	1,072	1,040	1,008	975	942	910	878	845	812	780
12.5	6,250	1,062	1,031	1,000	969	938	906	875	844	812	781	750
12.0	6,000	1,020	990	960	930	900	870	840	810	780	750	720
11.5	5,750	978	949	920	891	862	834	805	776	748	719	690
11.0	5,500	935	908	880	852	825	798	770	742	715	688	660
10.5	5,250	892	866	840	814	788	761	735	709	683	656	630
10.0	5,000	850	825	800	775	750	725	700	675	650	625	600
9.5	4,750	808	784	760	736	712	689	665	641	618	594	570
9.0	4,500	765	742	720	698	675	652	630	608	585	562	540
8.5	4,250	722	701	680	659	638	616	595	574	552	531	510
8.0	4,000	680	660	640	620	600	580	560	540	520	500	480
7.5	3,750	638	619	600	581	562	544	525	506	488	469	450
7.0	3,500	595	578	560	542	525	508	490	472	455	438	420

Production		Cents per pound									
		11.5	11.0	10.5	10.0	9.5	9.0	8.5	8.0	7.5	7.0
Million bales	Billion pounds	Billions of dollars									
15.0	7,500	862	825	788	750	712	675	638	600	562	525
14.5	7,250	834	798	761	725	689	652	616	580	544	508
14.0	7,000	805	770	735	700	665	630	595	560	525	490
13.5	6,750	776	742	709	675	641	607	574	540	506	472
13.0	6,500	748	715	682	650	618	585	552	520	488	455
12.5	6,250	719	688	656	625	594	562	531	500	469	438
12.0	6,000	690	660	630	600	570	540	510	480	450	420
11.5	5,750	661	632	604	575	546	518	489	460	431	402
11.0	5,500	632	605	578	550	522	495	468	440	412	385
10.5	5,250	604	578	551	525	499	472	446	420	394	368
10.0	5,000	575	550	525	500	475	450	425	400	375	350
9.5	4,750	546	522	499	475	451	428	404	380	356	332
9.0	4,500	518	495	472	450	428	405	382	360	338	315
8.5	4,250	489	468	446	425	404	383	361	340	319	298
8.0	4,000	460	440	420	400	380	360	340	320	300	280
7.5	3,750	431	412	394	375	356	338	319	300	281	262
7.0	3,500	402	385	367	350	332	315	298	280	262	245

Income from cotton

Year	Cash income from lint [1]	Index of cash income from lint (1909–13=100) [2]	Index of prices farmers pay (1909–13=100)	Purchasing power of lint [3]	Population on cotton farms [4]	Per capita income	Index of cash income from lint on per capita basis [5]	Purchasing power of lint on per capita basis [6]
1909–10	680,246,000	86.9	98	88.7	9,205,000	73.90	88.6	90.4
1910–11	809,724,000	103.4	101	102.4	9,304,000	87.03	104.3	103.3
1911–12	752,925,000	96.2	100	96.2	9,395,000	80.14	96.1	96.1
1912–13	787,232,000	100.5	101	99.5	9,477,000	83.07	99.6	98.6
1913–14	884,926,000	113.0	100	113.0	9,560,000	92.57	111.0	111.0
5-year average, 1909–10 to 1913–14	783,011,000	100.0	100	100.0	9,388,000	83.41	99.9	99.9
1914–15	592,830,000	75.7	105	72.1	9,633,000	61.54	73.8	70.3
1915–16	626,774,000	80.0	124	64.5	9,704,000	64.59	77.4	62.4
1916–17	992,304,000	126.7	149	85.0	9,792,000	101.34	121.5	81.5
1917–18	1,529,862,000	195.4	176	111.0	9,854,000	155.25	186.1	105.7
1918–19	1,738,071,000	222.0	202	109.9	9,932,000	175.00	209.8	103.9
1919–20	2,020,398,000	258.0	201	128.4	9,987,000	202.30	242.5	120.6
1920–21	1,069,257,000	136.6	152	89.9	10,157,000	105.27	126.2	83.0
1921–22	675,773,000	86.3	149	57.9	10,370,000	65.17	78.1	52.4
1922–23	1,115,578,000	142.5	152	93.8	10,282,000	108.50	130.1	85.6
1923–24	1,454,320,000	185.7	151	123.0	10,314,000	141.00	169.0	111.9
1924–25	1,561,022,000	199.4	155	128.6	10,429,000	149.68	179.4	115.7
1925–26	1,577,091,000	201.4	156	129.1	10,307,000	153.01	183.4	117.6
1926–27	1,121,185,000	143.2	154	93.0	10,052,000	111.54	133.7	86.8
1927–28	1,308,088,000	167.1	154	108.5	10,043,000	130.25	156.2	101.4
1928–29	1,302,036,000	166.3	154	108.0	10,029,000	129.83	155.7	101.1
1929–30	1,244,846,000	159.0	154	103.2	9,939,000	125.25	150.2	97.5
10-year average, 1920–21 to 1929–30	1,242,920,000	158.7	153	103.7	10,192,000	121.95	146.2	95.6
1930–31	659,041,000	84.2	135	62.4	9,951,000	66.23	79.4	58.8
1931–32	483,627,000	61.8	115	53.7	10,041,000	48.17	57.8	50.3
1932–33	424,006,000	54.2	103	52.6	10,219,000	41.49	49.7	48.2
1933–34	663,507,000	84.7	118	71.8	10,178,000	65.19	78.2	66.3
1934–35	595,615,000	76.1	126	60.4	10,174,000	58.54	70.2	55.7
1935–36	590,136,000	75.4	122	61.8	10,255,000	57.55	69.0	56.6
1936–37	762,145,000	97.3	130	74.8	10,300,000	73.99	88.7	68.2
28-year average, 1909–10 to 1936–37	1,000,806,000	127.8	137	90.8	9,960,000	100.26	120.2	85.7

[1] Does not include rental and benefit payments.
[2] Cash income from lint for each crop year expressed as a ratio of the 1909–13 average.
[3] The purchasing power of lint is obtained by dividing the index of cash income from lint by the index of prices farmers pay.
[4] Estimated from census reports on farm population in the principal cotton-growing States, also Bureau of Agricultural Economics estimates of farm population in the geographic divisions which include the Cotton Belt for noncensus years and the ratio of farms reporting cotton to all farms in those States. Estimates of population on farms growing cotton in these 10 States were raised slightly (2 to 3 percent) to allow for population on farms growing cotton in the minor cotton-growing States. Census data were used as a basis for those adjustments.
[5] Ratio of per capita income for each year to the 1909–13 average.
[6] The purchasing power of cash income per capita is obtained by dividing the index of cash income from lint per capita by the index of prices farmers pay.

Income from cotton, including payments

Year	Cash income from lint [1]	Rental and benefit payments and cotton options	Total	Index of cash income from lint plus payments 1909–1913=100 [2]	Index of prices farmers pay 1909–1913=100	Purchasing power of lint plus payments [3]	Population on cotton farms [4]	Per capita income including payments	Index of cash income from lint plus payments on per capita basis [5]	Purchasing power of lint plus payments on per capita basis [6]
							Thousands	*Dollars*		
1933–34	663,507	179,758	843,265	107.7	118	91.3	10,178	82.85	99.3	84.2
1934–35	595,615	115,824	711,439	90.9	126	72.1	10,174	69.93	83.8	66.5
1935–36	590,136	[7] 160,129	750,265	95.8	122	78.5	10,255	73.16	87.7	71.9
1936–37	762,145	82,300	844,445	107.8	130	82.9	10,300	81.98	98.3	75.6
4-year average, 1933–34, 1936–37	652,851	134,503	787,354	100.6	124	81.2	10,227	76.98	92.3	74.6
28-year average, 1909–10, 1936–37	1,000,806	----------	1,020,128	130.3	137	92.8	9,960	102.14	122.5	87.6

[1] Does not include rental and benefit payments.
[2] Cash income from lint for each crop year expressed as a ratio of the 1909–13 average.
[3] The purchasing power of lint is obtained by dividing the index of cash income from lint by the index of prices farmers pay.
[4] Estimated from census reports on farm population in the principal cotton-growing States, also Bureau of Agricultural Economics estimates of farm population in the geographic divisions which include the Cotton Belt for noncensus years, and the ratio of farms reporting cotton to all farms in those States. Estimates of population on farms growing cotton in these 10 States were raised slightly (2 to 3 percent) to allow for population on farms growing cotton in the minor cotton-growing States. Census data were used as a basis for these adjustments.
[5] Ratio of per capita income for each year to the 1909–13 average.
[6] The purchasing power of cash income per capita is obtained by dividing the index of cash income from lint per capita by the index of prices farmers pay.
[7] Includes $39,744,000 cotton-price-adjustment payments.

Mr. BORAH. Mr. President, I will detain the Senate just a moment. I could very readily vote for a limitation of appropriations for the purposes of the pending bill if there were not behind the proposition the question of reducing the amount to be used for soil-conservation payments. The amendment offered by the Senator from Tennessee discloses that the effect would be to reduce the amount for soil conservation to $225,000,000.

Mr. McKELLAR. Mr. President, my amendment has been withdrawn.

Mr. BORAH. I am pleased.

Mr. McKELLAR. It has been withdrawn for the reason the Senator has stated.

The PRESIDING OFFICER. The pending amendment is the amendment proposed by the Senator from Michigan.

Mr. BORAH. The effect of the amendment of the Senator from Michigan would tend toward the same result. It would necessarily reduce the amount which we could use for soil conservation, and that, in my judgment, is the most important thing connected with the whole program of farm legislation. I regard soil conservation as of such moment that I cannot vote for any amendment which might curtail in any way that program.

I have a little volume before me, just published, written by a Mr. Johnson, of only a hundred pages, but it is most significant and at the same time the greatest warning I have read in many a day. The title of the book is "Wasted Land." It deals entirely with the subject of wasted land in the South, although the same principle and the same facts in large measure might be gathered from other parts of the country.

The book discloses that there are a hundred million acres of eroded land now in the South, unfit for use. This book should be read by everyone interested in the national problem of soil conservation. Read it and you will understand the peril of soil erosion. To take any step which would discourage or curtail the soil-conservation program, in my judgment, would be a stupendous blunder. Under these circumstances, I feel I must vote against the amendment.

Mr. ADAMS. Mr. President, I should like to ask the Senator from Idaho, if I may, whether he said that the amendment of the Senator from Michigan would reduce the amount of money available for soil-conservation payments beyond the reduction that would be made if the committee amendment were adopted.

Mr. BORAH. I said that in my opinion the result of the amendment of the Senator from Michigan would be to curtail the use of the $500,000,000 for soil conservation.

Mr. ADAMS. I desire to call the attention of the Senator from Idaho to the committee amendment at the bottom of page 78, where it is provided that of this $500,000,000, 55 percent is diverted from soil conservation to parity payments; that is, there is that definite deduction in the committee amendment. I do not know whether it has been adopted or not. I doubt very much whether the insertion of the amendment of the Senator from Michigan would reduce the amount. I merely suggest that perhaps a study of that question might result in showing that there would be an increase in soil-conservation payments.

Mr. BORAH. The committee amendment has not fixed any limitation on the appropriation at all.

Mr. ADAMS. There is a committee amendment which specifically seeks to divert part of the money.

Mr. BORAH. I will vote against any amendment which would divert any part of the soil-conservation fund. I am not concerned about this bill, but I am concerned about keeping intact the Soil Conservation Act.

Mr. CONNALLY. Mr. President, it seems to me that the amendment offered by the Senator from Michigan should not be agreed to. The proposed legislation is naturally somewhat experimental. We do not yet know the various factors which will have to be considered, and which will all work together to bring about results under the legislation. There is the question of the reduction of acreage; there is the question of soil conservation, of weather, sunshine, rain, market demand, the normal granary, and the carry-over loans. It is naturally experimental, but it is an experiment, after all.

While the farmer is interested in getting a better price for his crop, the only justification the Congress has in enacting this type of law is that it affects the national economy, and, as suggested by the Senator from Idaho, the preservation of the soil and the rebuilding of the soil reach deeper than the question of what the farmer will get for his crop next year. It will affect our children, and all of the generations yet to come.

The only justification for the Congress undertaking to deal with the agricultural problem is that it is a national problem. It affects our foreign markets, our exports, the maintenance of an orderly flow of the products covered in the bill, all of which are essential for human life and human convenience. We are undertaking now in this legislative laboratory to work out some sort of formula which will more or less stabilize these conditions.

How do we know now what it will cost 3 years from now? We do not know. It may take more than $500,000,000, or it may take less than $500,000,000.

As was well pointed out by the Senator from Colorado [Mr. ADAMS], each Congress is the master of its own rules; each Congress is the master of its own action. So why should we now, years in advance, undertake to say that we are going to make it a matter of law that before the Committee on Appropriations can appropriate an amount exceeding $500,000,000, we would have to pass another law undoing a law on the statute books? Why should we select this particular kind of an appropriation to put a limitation on the appropriation?

We do not know how much the Appropriations Committee is going to bring in next year for the Navy Department. We do not know how much the Appropriations Committee is going to bring in for the War Department, or the State Department, or any other Department. Some little legislative salaries are fixed by law, but the great questions of policy which relates to these Departments are each year determined by the Appropriations Committee by means of the amounts of money that the committee sets apart for those activities.

Finally, of course, the responsibility must be met here on the floor of the Senate as to whether the Senate will approve the judgment of the committee or reject it. So why should we now forego our freedom and our own liberty when the time and the occasion arises, to decide whether we shall appropriate $250,000,000, or whether we shall appropriate $600,000,000 or $700,000,000? Sufficient unto the day ought to be our wisdom and our courage. Why should we now admit that we are afraid and why should the Committee on Appropriations now admit that it is afraid to assume this responsibility?

Mr. BURKE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. BURKE. I can see very easily the force of the Senator's argument, and should be inclined to agree with it fully, provided he will lead a movement to strike from the bill everything that might be an encouragement to the farmers of the country to believe that Congress is now pledging itself to give them parity prices for their products.

Will the Senator agree to vote to strike from the bill all such promises that are contained in the bill?

Mr. CONNALLY. Mr. President, the Senator from Texas will say to the Senator from Nebraska that there is no occasion to strike out from the bill anything of the kind.

Mr. BANKHEAD. There is no such promise in it.

Mr. CONNALLY. I will read it.

Mr. BURKE. Is the Senator now going to read the bill?

Mr. CONNALLY. No; I shall read only enough so that the Senator from Nebraska will know what the Senator from Texas is talking about. I read from page 80, subsection (f):

> Notwithstanding any other provision of this act, if the aggregate parity payments payable under schedule A of title I of this act for any marketing year—

Not over a period of years, but for any year, leaving it to the Congress to say, when it is in session and when the facts are known and when the year is here—

> are estimated by the Secretary to exceed the sum appropriated—

"Exceed the sum appropriated"—

> for such payments for such year, all such payments—

Not some of them; not a part of them—

> all such payments shall be reduced pro rata that the estimated aggregate amount of such payments shall not exceed the funds available for such payments.

Mr. BURKE. Mr. President, will the Senator yield to me again at that point?

Mr. CONNALLY. I yield.

Mr. BURKE. I think the farmers of the country would be justified in looking at the declaration of policy in the bill. The bill opens with this express declaration or promise:

> It is hereby declared to be the policy of Congress to regulate interstate and foreign commerce in cotton, wheat, corn, tobacco, and rice to the extent necessary to provide such adequate and balanced flow of such commodities as will, first, maintain both parity of prices paid to farmers for such commodities marketed by them—

And so forth. If any farmer in Nebraska should read that and form any other conclusion than that it was the policy of Congress to provide for the parity payments, I think I would suggest that he move down to Texas.

Mr. CONNALLY. If the farmers of Nebraska are going to read only the first paragraph of this bill and then stop, why,

fine! But the farmers of my State are able to read and they are going to read all of this bill [laughter] before they decide whether they want to come under the bill or whether they do not. Of course, there is nothing inconsistent in the first paragraph and the clause cited by the Senator from Texas. It is the purpose of Congress, and that is what the first paragraph says:

It is hereby declared to be the policy of Congress—

To do these things; to lift this price to parity. That is our policy, and if that is not our policy there would be no excuse for the bill. It is provided by the bill that it shall be done if it can be done with the available revenues which the Government feels it can devote to this purpose. It does not mean that we are to cease all the other activities of the Government in order to bring the price up to parity; of course not.

The farmers of America do not want to stop all other activities of the Government and divert all of the revenues to their benefit; so there is no inconsistency in the general declaration that this is to be the policy of the Congress. Then in the form of an amendment to meet the very fears which Senators are now expressing, we are saying to the farmer, "Mr. Farmer, that is our policy. We hope to do it; but we can only tell you now that you will get that proportion of parity which the resources of the Government are able to stand in the year when we are estimating our Budget, in the year when we are counting the money in our pocket, in the year when we are finding out how much is coming into this pocket in the form of revenue, and how much is in this other pocket over here available for expenditures. That is the time to determine it."

But Senators now would say that no matter how much revenue we get, no matter how difficult the situation that the farmer may be in, no matter what the effect of these courses and these factors in the situation may be, we are going to limit the payments so that we cannot pay over $500,000,000. They do not even say that we shall pay $500,000,000. It would be safer to create a sinking fund and put $500,000,000 in it every year, and if we should not need all of it we should have a surplus. But that is not the purpose of the amendment. The purpose is that if we can get along with $200,000,000, we shall not carry the $300,000,000 over into the next year. In any case the payments will not exceed $500,000,000.

Mr. ADAMS. Mr. President, the Senator's interpretation of the bill is that it obligates the Government to pay the full parity price to the farmers. The reason why I asked the question is that upon the floor this afternoon one distinguished Senator has interpreted the bill as requiring full parity payments. Another distinguished Senator has stated that it does not anticipate full parity payments. A part of the problem of those who are going to be confronted with the appropriation matter is as to what the bill does require in the way of appropriation. If it requires full parity payments, it requires one sum of money. If it does not call for full parity payments, it is a different problem. I am anxious to get the judgment of the Senator from Texas, who has studied the bill.

Mr. CONNALLY. Mr. President, I thank the Senator from Colorado for his attributing to the Senator from Texas a greater study of the measure probably than he is entitled to. Of course, the bill does not pledge or obligate the Government to pay full parity. What it says to the farmer is, "We are adopting this plan, Mr. Farmer. We hope it is going to bring you parity without any payment. We hope so. We do not know. The Senator from Colorado does not know, and the Senator from Texas does not know."

Mr. ADAMS. Mr. President——

Mr. CONNALLY. Just a moment, Mr. President. Let me answer this question before we have another one.

"Now, Mr. Farmer, that is our plan. We hope it is going to bring you parity. But if it does not bring you parity of its own accord, we are going to undertake, if the revenues of the Government justify it, to pay you a sum out of the Treasury. This plan is going to make you some money, we hope; this economic control is going to produce some added revenue for you; but if the plan does not produce sufficient revenue to bring you up to parity, then if the Government has the resources and if Congress is willing, if the Appropriations Committee is willing, if the Senator from Colorado is willing, we are going to appropriate some more money. It depends upon whatever our wishes may be and our ability may be at that time to supplement what the economic forces that this bill sets in motion accomplish and we hope they will bring your income up to parity. But we want to be fair with you, Mr. Farmer. We are going to tell you right here and now that if the bill does not bring you up to parity, the Government is not obligated except to pay you such amount as it may see fit, and on the basis of that amount the benefits shall be prorated."

If anything could be any plainer than that, I would not know how to write the language. This is the action of the Senate committee. If there is any member of the committee who disputes that meaning, I should like to have him rise and say so. Does the Senator from Colorado dispute that that is all the bill provides?

Mr. ADAMS. Mr. President, the Senator from Texas says it is not anticipated that full parity shall be required to be paid. I am wondering when we shall have to determine how far below parity we shall go?

Mr. CONNALLY. Here is the whole bill. I have not the time to read the whole bill to the Senator, but the principle runs all through the bill.

Mr. ADAMS. I thought perhaps the Senator had that standard in his mind and would know just what it is.

Mr. CONNALLY. I will say to the Senator very frankly that according to the bill we set up certain standards and policies; but suppose some unusual situation should arise? Suppose the snow should not come to Colorado and there should be a great drought creep over Colorado, Wyoming, Kansas, and Nebraska. Congress would say, "On account of these unusual conditions——"

The PRESIDING OFFICER. The time of the Senator on the amendment has expired.

Mr. CONNALLY. Can I divide my time on the bill?

The PRESIDING OFFICER. The Senator can speak only once on the bill and not longer than 30 minutes.

Mr. CONNALLY. There will be other amendments, I have no doubt. I shall speak on some of the other amendments.

Mr. O'MAHONEY. Mr. President——

Mr. CONNALLY. I shall be through in a very few minutes. I move to amend the amendment of the Senator from Michigan by striking out the numerals "$500,000,000."

The PRESIDING OFFICER. The Chair recognizes the right of the Senator to speak on the amendment which he now offers to the amendment of the Senator from Michigan.

Mr. CONNALLY. I thank the Chair and I thank the parliamentarian for his advice to the Chair.

Mr. BAILEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield to the Senator from North Carolina.

Mr. BAILEY. I rise to call the attention of the Senator to the language on page 10, which seems to me to indicate that the amount is fixed in definite terms.

Mr. CONNALLY. Parity is fixed but not the payments.

Mr. BAILEY. The language is:

The Secretary shall make parity payments to farmers engaged in the production of such commodity for market during such marketing year, provided, in case of wheat and corn, the farmer is a cooperator. Such payments shall be computed at the parity-payment rates prescribed in schedule A of this title.

Mr. BANKHEAD. The word "shall" was changed to "may."

Mr. CONNALLY. I thank the Senator from Alabama. He informs me that the word "shall" has been changed to "may."

Mr. BAILEY. Even so, it provides that he shall pay——

Mr. CONNALLY. Oh, no; he may pay. If he has the money in his pocket he must pay, but if he does not have it then he does not have to pay.

Mr. BAILEY. Then the argument is that we put a schedule in the bill and hold it out to the farmer, but we do not have to pay him. That is what happened to the cotton farmer under the old A. A. A.

Mr. CONNALLY. When I used to be flourishing in my practice in the justice of the peace courts, we were told we had to construe all of a statute together, and harmonize and give force and effect to every part of it, and not take up a little sentence here and say, "It is against the law to do this" and stop there. So in reading this bill we have to read it all, and when we read it all we see that the Government makes no pledge to pay a thin dime unless the Government wants to do so and appropriates the money to do it.

Mr. KING. Mr. President——

Mr. CONNALLY. I yield to the Senator from Utah [Mr. KING].

Mr. KING. May I first express my dissent from the position taken by the Senator—and that does not mean I am right.

Mr. CONNALLY. That is very painful to the Senator from Texas.

Mr. KING. I know it. Suppose the Senator from Texas were President of the United States——

Mr. CONNALLY. That is a supposition which the Senator from Texas will not entertain.

Mr. KING. I entertain it and hope he may be. Suppose he were President of the United States and that he were preparing the Budget to submit to Congress. He would be bound by the authorizations which Congress had made, to include in his recommendations for the Budget a sufficient amount to meet the authorizations. It seems to me that any reasonable construction of all the provisions of the bill which are pari materia, would require the Senator, as President, or anybody who happened to be President, to include in his recommendations for the Budget the full amount which the Department of Agriculture had said would be required in order to meet parity payments, whether $1,000,000,000 or $10,000,000,000, and the President would be required to submit in his Budget that entire amount. Whether Congress would appropriate it is a different thing.

Mr. CONNALLY. It is not necessary to speculate on what some imaginary President might do. Let us consider what the present President did. He told Congress frankly he did not want more than $500,000,000 spent for agriculture in the next fiscal year unless—unless! He was not like the Senator from Michigan who would say we could not spend another nickel above $500,000,000, just that much and no more. He said, "No more than $500,000,000 unless Congress should provide other revenue to take care of those things."

Congress may decide to put on a processing tax, and so far as the Senator from Texas is concerned a processing tax is a fair tax because it makes the consumer of the commodity pay the added cost if we raise the price of the commodity. That is fair; that is just. It is just as fair and, perhaps, more fair than reaching into the General Treasury and making those payments out of the taxpayers' money. If the price of tobacco is thereby increased, it means that every man who chews tobacco or smokes a cigarette or a pipe shall pay a little more for his tobacco. Why should he not if the purpose is to give the money back to the man who raised the tobacco? Why should not the man who gets the enjoyment and pleasure out of it help to enrich the State of North Carolina by paying something in the way of an added tax?

Mr. MALONEY. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. MALONEY. Does the Senator really believe that the man who wears a cotton shirt should pay a tax while the man who wears a silk shirt should be exempt?

Mr. CONNALLY. Oh, no; not at all. I would put a processing tax on all articles that compete with cotton. I would put such a tax on silk and another on rayon, and I would put a processing tax on paper pulp, if we make any clothes out of paper pulp, as I understand the Germans are doing. I would put a tax on all those things that compete with cotton in order to keep them from coming in and taking away the cotton market. Of course, the man who wears the shirt ought to pay for his shirt, whether it is cotton or silk.

Mr. MALONEY. Followed to its probable logical conclusion, the Senator would wind up with a sales tax, would he not?

Mr. CONNALLY. No; I am not in favor of a sales tax. I am in favor of letting the man pay what the article costs, but I would not then add another tax on top of that in the form of a sales tax to maintain the Government out of the necessities of the poor.

Mr. POPE. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield.

Mr. POPE. Suppose a processing tax were levied and additional funds provided, as suggested by the President; then under the amendment proposed by the Senator from Michigan the additional funds could not be used, could they?

Mr. CONNALLY. Why, certainly not. That is what the Senator from Texas is undertaking to point out—that under the amendment offered by the Senator from Michigan, even if Congress should decide to put on $200,000,000 in the form of processing taxes, not one red copper of it could be appropriated for the purpose of carrying out the policies of this bill.

The bill may be all wrong. I do not think it is. We may be proceeding on the wrong philosophy, but if we are going to adopt this philosophy and these policies, let us not in the very beginning make impossible a fair opportunity to work them out, a fair experiment, by saying that we cannot do so-and-so, and we cannot do the other.

Mr. O'MAHONEY. Mr. President——

Mr. CONNALLY. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. Am I to understand the Senator from Texas to suggest that the language on page 81 to which he alluded a few moments ago constitutes in any degree at all a limitation upon the amount of money which may be expended?

Mr. CONNALLY. It means that we cannot spend more than we appropriate. That is all it means.

Mr. O'MAHONEY. Does the Senator believe that would be a limitation upon the amount of appropriations?

Mr. CONNALLY. Oh, no; that is not any limitation, as we ordinarily refer to limitations. It is, however, a frank statement to the farmer, "If your parity payments exceed what Congress appropriates, then you may expect only a pro rata of what Congress appropriates." Is not that clear to the Senator?

Mr. O'MAHONEY. Does not the Senator from Texas understand that the appropriations which are made by Congress are for the year succeeding that in which the appropriation bills are passed?

Mr. CONNALLY. Oh, yes; as a rule; but if Congress is here, there is no reason why we should not appropriate for the current year.

Mr. O'MAHONEY. As a matter of practice, however, that is not what is done.

Mr. CONNALLY. As a matter of practice, we appropriate in one session of Congress for the fiscal year beginning the following July 1, and ending the next succeeding June 30.

Mr. O'MAHONEY. Then does it not follow that under this bill as it now stands, the Congress would be under a moral obligation to make an appropriation of whatever amount the Secretary of Agriculture should estimate would be necessary to make these payments?

Mr. CONNALLY. Oh, no; oh, no!

Mr. O'MAHONEY. I am unable to understand how the Senator can explain the bill otherwise, and I should like to have him enlighten the Senate upon that point.

Mr. CONNALLY. The Senator from Texas never undertakes to enlighten the Senate. He undertakes only to express his own humble opinions about these things; but this is perfectly apparent to anybody who wants to see. Anybody with eyes, who wants to read, can read this bill and understand it. Anybody with ears, whose intellectual and *moral tympanums* are operating, can hear what this bill says and understand it. A man with cotton in his ears which is put there deliberately will not hear, and one who obscures his vision with some artificial instrument will not see; but it is perfectly apparent here that those who want to see can see, and those who want to hear can hear.

Some of the Senators just cannot get it through their heads that this bill is not going to do something to the Appropriations Committee. I have very high respect for the Appropriations Committee; but, frankly, this is the first time in my experience in the Senate that the Appropriations Committee have not wanted all the authority and all the jurisdiction that an elephantine appetite would consume. They are always wanting to let the Appropriations Committee decide these things; but this is one time when the Appropriations Committee have tucked tail and run. They do not want the authority, and they do not want the jurisdiction.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. CONNALLY. I yield; and let me add that I say what I have just said in all kindness. I am for the Appropriations Committee. I am going before them sometime soon. [Laughter.]

Mr. McKELLAR. I was just going to say that I remember that one of these elephantine appetities was expended in reference to a very important appropriation to the State of Texas, from which the Senator comes; and we were glad to do it.

Mr. CONNALLY. I thank the Senator.

Mr. McKELLAR. I do not think the Senator from Texas ought to jump on the Appropriations Committee.

Mr. CONNALLY. Oh, no; I am not doing so; but it is rather significant that the most active proponents of this Republican amendment should be Democratic members of the Appropriations Committee.

Mr. McKELLAR. The Senator is mistaken about that, I think. There may be some one on the Appropriations Committee who is in favor of this amendment. I am not sure.

Mr. CONNALLY. I am not against the Appropriations Committee. I am willing to trust them. The Senator from Tennessee is not willing to trust them.

Mr. McKELLAR. Oh, yes, I am!

Mr. CONNALLY. I am willing to put this power in the hands of the Appropriations Committee, and to say that on account of their judgment, on account of their knowledge of the financial affairs of the Government, on account of their knowledge of the amount of revenues that are coming in, and on account of their knowledge of the other demands on the Treasury of the United States, I am willing to trust the Appropriations Committee. Then they rise up as if they were going to receive the benediction and say, "No; we do not want that. We want Congress to decide it."

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. Does the Senator from Texas yield to the Senator from Minnesota?

Mr. CONNALLY. I do.

Mr. SHIPSTEAD. Am I to understand the Senator to say that there is a limitation on the authorization which is sufficient to carry out the purposes of the bill?

Mr. CONNALLY. No.

Mr. SHIPSTEAD. There is no limitation?

Mr. CONNALLY. No; and I am trying to prevent one being put on.

Mr. SHIPSTEAD. And is it the Senator's idea that the amount will be limited later, if necessary, by the Appropriations Committee?

Mr. CONNALLY. Exactly.

Mr. SHIPSTEAD. In other words, we have a good bill——

The PRESIDING OFFICER. The time of the Senator from Texas has expired.

Mr. SHIPSTEAD. Mr. President——

The PRESIDING OFFICER. The Senator from Minnesota is recognized.

Mr. SHIPSTEAD. Are we to understand that we have a good bill which promises the farmer parity of prices, and we promise him more than that in the bill; we promise him parity income; we authorize somebody to pay it to him, and then we make a reservation that he shall be paid this parity income only if we can afford it?

Mr. CONNALLY. That is in the bill. I was only discussing what is in the bill. The Senator is for the bill, I am sure. On page 81 of the bill it provides that if we do not have enough money to pay complete parity, we will pro rate the payments; that is all. Is the Senator supporting the amendment?

Mr. SHIPSTEAD. No: I am not.

Mr. CONNALLY. Does the Senator mean to say that the farmers shall not have over $500,000,000 if they earn it?

Mr. SHIPSTEAD. I do not, sir; but I am trying to find out what is the purpose of the bill. I have read it, but it seems to me there is a great deal of misunderstanding about the bill. I have read it. I have not been able to sit here and listen to the debates. There seems to be a great deal of earnestness in the discussion; but it is a little confusing to find eminent Senators, far more eminent than I, who disagree so radically about the provisions of the bill.

A great deal has been said about parity prices. That, to me, is not important. There is another thing in the bill which is very much more important than that. If I understand the bill, it promises parity income based on the relative share of the national income that the farmer had in the base period. That is an entirely different matter than parity payments; but, due to the lateness of the hour, I shall not discuss that subject now. I expect to do so at some other time. I should like to do so on this amendment, but I do not wish to impose upon the Senate.

The PRESIDING OFFICER. The question is on agreeing to the pro forma amendment offered by the Senator from Texas.

The amendment was rejected.

The PRESIDING OFFICER. The question now is upon the amendment proposed by the Senator from Michigan [Mr. VANDENBERG] to the amendment reported by the committee.

Mr. VANDENBERG. Upon that I ask for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. HALE (when his name was called). I have a general pair with the Senator from South Carolina [Mr. BYRNES]. Not being able to effect a transfer, I withhold my vote. If permitted to vote, I would vote "yea."

The roll call was concluded.

Mr. BYRD. My colleague the senior Senator from Virginia [Mr. GLASS] is necessarily detained. If present, he would vote "yea."

Mr. MINTON. I announce that the Senator from Utah [Mr. KING], who is necessarily absent, has a pair with the Senator from New Hampshire [Mr. BROWN]. If present and voting, the Senator from Utah [Mr. KING] would vote "yea," and the Senator from New Hampshire [Mr. BROWN] would vote "nay."

The Senator from Delaware [Mr. HUGHES] is detained by illness.

The Senator from Florida [Mr. ANDREWS], the Senator from Arizona [Mr. ASHURST], the Senator from Tennessee [Mr. BERRY], the Senator from New Hampshire [Mr. BROWN], the Senator from South Carolina [Mr. BYRNES], the Senator from Missouri [Mr. CLARK], the Senator from Illinois [Mr. DIETERICH], the Senator from Ohio [Mr. DONAHEY], the Senator from Georgia [Mr. GEORGE], the Senator from West Virginia [Mr. HOLT], the Senator from Connecticut [Mr. LONERGAN], the Senator from Nevada [Mr. MCCARRAN], the

Senator from New Jersey [Mr. MOORE], and the Senator from Maryland [Mr. TYDINGS] are necessarily detained.

Mr. AUSTIN. The Senator from North Dakota [Mr. NYE] is paired on this question with the Senator from Rhode Island [Mr. GERRY]. If present the Senator from North Dakota [Mr. NYE] would vote "nay," and the Senator from Rhode Island [Mr. GERRY] would vote "yea."

Mr. SHIPSTEAD. I have a pair on this vote with the senior Senator from Virginia [Mr. GLASS]. I transfer my pair to the senior Senator from North Dakota [Mr. FRAZIER], and vote "nay." I am advised that if present and voting the senior Senator from North Dakota [Mr. FRAZIER] would vote "nay."

Mr. BARKLEY. My colleague, the junior Senator from Kentucky [Mr. LOGAN], is unavoidably absent. If present he would vote "nay."

Mr. MINTON. The senior Senator from Illinois [Mr. LEWIS] is unavoidably detained. If he were present he would vote "nay."

Mr. DAVIS (after having voted in the affirmative). I have a general pair with the junior Senator from Kentucky [Mr. LOGAN]. I am informed that if present he would vote "nay," and I therefore withdraw my vote.

Mr. BAILEY. The senior Senator from Rhode Island [Mr. GERRY] is unavoidably absent. If he were present he would vote "yea."

The result was announced—yeas 23, nays 49, as follows:

YEAS—23

Adams	Burke	Lodge	Townsend
Austin	Byrd	McNary	Vandenberg
Bailey	Capper	Maloney	Wagner
Bridges	Copeland	O'Mahoney	Walsh
Brown, Mich.	Gibson	Radcliffe	White
Bulkley	Johnson, Calif.	Steiwer	

NAYS—49

Bankhead	Green	McKellar	Schwellenbach
Barkley	Guffey	Miller	Sheppard
Bilbo	Harrison	Minton	Shipstead
Bone	Hatch	Murray	Smathers
Borah	Hayden	Neely	Smith
Bulow	Herring	Norris	Thomas, Okla.
Caraway	Hitchcock	Overton	Thomas, Utah
Chavez	Johnson, Colo.	Pepper	Truman
Connally	La Follette	Pittman	Van Nuys
Duffy	Lee	Pope	Wheeler
Ellender	Lundeen	Reynolds	
Gillette	McAdoo	Russell	
Graves	McGill	Schwartz	

NOT VOTING—24

Andrews	Davis	Glass	Logan
Ashurst	Dieterich	Hale	Lonergan
Berry	Donahey	Holt	McCarran
Brown, N. H.	Frazier	Hughes	Moore
Byrnes	George	King	Nye
Clark	Gerry	Lewis	Tydings

So Mr. VANDENBERG's amendment to the amendment of the committee was rejected.

The PRESIDING OFFICER (Mr. DUFFY in the chair). The practice was started yesterday, and followed today on two occasions, of Senators offering pro forma amendments. The Chair feels that is absolutely a violation of the spirit of the unanimous-consent agreement which has been heretofore entered into, but is advised by the parliamentarian that it is within the letter of the agreement. The present occupant of the Chair would be inclined, if such a motion were made in the future while he was occupying the chair, either to refuse to entertain the motion, or at least to submit the question to the Senate, because it is apparent that there would be no limitation if such practice were further indulged in.

SINKING OF THE U. S. GUNBOAT "PANAY"

Mr. REYNOLDS. Mr. President, I ask to have printed in the RECORD an editorial from the Wilmington (N. C.) News of December 13, and three telegrams I have received, dealing with the remarks I made on yesterday relative to the sinking of the U. S. gunboat *Panay* in the Yangtze River.

There being no objection, the editorial and telegrams were ordered to be printed in the RECORD, as follows:

BITTER PILL

Senator ROBERT R. REYNOLDS is entitled to an "I told you so" as the result of last night's dispatches telling of the sinking of a United States gunboat by Japanese on the Yangtze River.

Only Saturday Mr. REYNOLDS demanded in the Senate that United States forces be withdrawn from the Far Eastern theater of conflict. He expressed fear of just such an incident as has now occurred. The Morning Star of today, commenting on his proposal, made the sensible point that nothing we have in China is worth fighting for, and supported his contention that our ships and troops should be called home.

As it stands, however, the incident has occurred, and the question now is, What shall we do about it? Our opinion is that we should accept the Japanese apologies and do nothing. It is doubtful if the Japanese meant to sink our warboat. Even if they did intend it, their profuse apologies have covered up the insult so that we have no choice except to swallow it with a show of sternness.

We can gain nothing by a display of force toward Japan. There is little real cause—thus far—for fighting her. Japan will take away our trade with China when the latter nation is brought under her control, but we have the much more considerable trade with Japan to weigh in the balance before getting angry about it. Japan can have, for the present, no territorial designs that might cause real affront to the United States.

Perhaps, in the general interest of world peace, it would be desirable to stop the Japanese advance in China, but the direct interest of no nation is sufficiently involved to permit of a declaration of war to achieve this purpose. Certainly this applies to the United States, which does not even have important territorial concessions in China.

It's a bitter bill, perhaps, to swallow an attack on a ship bearing our flag, but swallow it we must. We should be honest with ourselves and admit that if we hadn't been where we had no business being, we would have escaped the whole business.

JACKSONVILLE, N. C.

Congratulations on your speech yesterday. Stick it out.

W. T. BRYAN.

WEAVERVILLE, N. C., *December 14, 1937.*

ROBERT R. REYNOLDS,
United States Senate:

Congratulations; courageous practical sense.

A. G. BETTS.

BOONE, N. C., *December 14, 1937.*

Hon. ROBERT R. REYNOLDS,
United States Senate:

Have read account of your speech in United States Senate yesterday. Wish to congratulate you upon your stand in this crisis. United States should withdraw from China at earliest possible moment. Use every opportunity to impress the American people with the very great importance of our withdrawal.

CLYDE R. GREENE.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE REPORTS OF COMMITTEES

Mr. McKELLAR, from the Committee on Post Offices and Post Roads, reported favorably the nominations of sundry postmasters.

Mr. WAGNER, from the Committee on Banking and Currency, reported favorably the following nominations:

Jerome N. Frank, of New York, for appointment as a member of the Securities and Exchange Commission for a term expiring June 5, 1942, vice James M. Landis, resigned; and

John W. Hanes, of North Carolina, for appointment as a member of the Securities and Exchange Commission for a term expiring June 5, 1940, vice J. D. Ross, resigned.

The PRESIDING OFFICER (Mr. DUFFY in the chair). The reports will be placed on the Executive Calendar.

If there be no further reports of committees, the Executive Calendar is in order. The clerk will state the nominations on the calendar in order.

POSTMASTERS

The legislative clerk proceeded to read sundry nominations of postmasters.

Mr. BARKLEY. I ask unanimous consent that the nominations of postmasters on the calendar be confirmed en bloc.

The PRESIDING OFFICER. Without objection, the nominations of postmasters on the calendar are confirmed en bloc.

That completes the Executive Calendar.

RECESS

The Senate resumed legislative session.

Mr. BARKLEY. I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was agreed to; and (at 6 o'clock and 6 minutes p. m.) the Senate took a recess until tomorrow, Wednesday, December 15, 1937, at 12 o'clock meridian.

CONFIRMATIONS

Executive nominations confirmed by the Senate December 14 (legislative day of November 16), 1937

POSTMASTERS

ARKANSAS

Clarence G. Cooper, Fouke.
Erma M. Odom, Fulton.

KANSAS

Harold A. Rohrer, Junction City.
Elizabeth Brackman, Scranton.

MAINE

Paul J. Cody, South Poland.

NEVADA

Pete Petersen, Reno.

VERMONT

Edward Patrick Kelley, Danby.

HOUSE OF REPRESENTATIVES

TUESDAY, DECEMBER 14, 1937

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Our merciful Heavenly Father, it is out of the fullness of the divine heart that we receive the divine gifts; it is from Thy bountiful hand all our necessities come. We praise Thee with grateful hearts and with all the redeemed say: "Blessing and honor, glory and power be unto Him who sitteth upon the throne and unto the lamb forever and ever." We pray Thee, dear Lord, to bless all churches and institutions of learning. May their light be diffused throughout our land. By Thy providence Thou hast been merciful unto us. Take away, O Lord God, all distemperature of passion and pride and bring all together in the bonds of mutual respect and understanding. O let the pure light shine out of heaven and the impure light die out of the earth. Through Christ, our Savior. Amen.

The Journal of the proceedings of yesterday was read and approved.

SUNDRY MESSAGES FROM THE PRESIDENT

Sundry messages in writing from the President of the United States were communicated to the House by Mr. Latta, one of his secretaries, who also informed the House that on the following date the President approved and signed a joint resolution of the House of the following title:

On December 8, 1937:

H. J. Res. 525. Joint resolution to make the existing appropriations for mileage of Senators and Representatives immediately available for payment.

EXTENSION OF REMARKS

Mr. SHANNON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein an address delivered by the Honorable James A. Farley, Postmaster General of the United States, at the Letter Carriers' Convention in Kansas City last summer. This is a very brief address.

Mr. RICH. Reserving the right to object, Mr. Speaker, I want to call the attention of the Members of the House of Representatives and the people of this country generally to the fact that Mr. James A. Farley has had more speeches in the CONGRESSIONAL RECORD than any man outside of Congress. If you are going to put in all his speeches, you will fill up the RECORD.

Mr. FISH. Reserving the right to object, Mr. Speaker, I should like to know if this address is on the subject of the civil service?

Mr. SHANNON. There is nothing in this speech about the civil service.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. MEAD. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by inserting therein a speech I delivered at the Buffalo town hall meeting of the air recently.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. COX. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address I delivered in Atlanta last Friday on the wage and hour bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. WARREN. Mr. Speaker, I ask unanimous consent to address the House for 10 seconds.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. WARREN. Mr. Speaker, on yesterday I was at home to attend a funeral in my family. Had I been present I would have voted against discharging the Committee on Rules from further consideration of the resolution to consider the wage and hour bill.

Mr. McGRANERY. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. McGRANERY. Mr. Speaker, I was detained on official business during roll call No. 17 on yesterday. Had I been present I would have voted to discharge the Committee on Rules from the further consideration of the resolution to consider the wage and hour bill.

EXTENSION OF REMARKS

Mr. PEARSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a letter received from a constituent with respect to the wage and hour bill.

The SPEAKER. Is there objection to the request of the gentleman from Tennessee?

There was no objection.

Mr. DEMUTH. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein two radio addresses on the subject of amendments to the Federal Housing Act.

The SPEAKER. Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. ANDERSON of Missouri asked and was given permission to extend his own remarks in the RECORD.

Mr. DIRKSEN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD, briefly, on two separate subjects.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. LUTHER A. JOHNSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by including therein a radio address delivered by Secretary Hull on December 12, 1937, on the occasion of the observance of Universal Bible Sunday.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds for the purpose of making a statement with respect to the Washington-Hoover Airport.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

WASHINGTON-HOOVER AIRPORT—A PUBLIC MENACE, A NATIONAL DISGRACE

Mr. PLUMLEY. Mr. Speaker, if I am correctly informed, when the Airport Commission, comprising Members of Congress, made its report, it discharged the duties and obligations resting upon it.

Now, Mr. Speaker, at this time I have nothing to say with respect to the recommendations made by the committee, either for or against them, but again I wish to call the attention of the Members of the House to the fact that the present facilities afforded by the existing Washington-Hoover Airport are so inadequate, so unsafe and dangerous that the airline pilots using the Washington-Hoover Airport have filed a petition with the Bureau of Air Commerce in which they state that they are of the opinion that in the interests of safety all operations should be transferred to the New Bolling Field, until a safe airport is constructed for the District of Columbia, and that in the interim no airline operations should be permitted at the Washington-Hoover Airport.

Now, Mr. Speaker, the petitions were of date October 27 and October 29, 1937. They are informative; they advise the general public as to just what the men whose business it is to transport the public and safely land them at the Washington-Hoover Airport believe the hazards to be.

So far as I know no action has been taken. How long are these pilots going to be compelled to endanger their lives and our own? We are going to wake up some morning to learn that one of the greatest air catastrophes in the annals of aerial navigation has occurred right here at the Capital of the Nation. I call it about as near criminal negligence as anything of the kind could be, not to do something in response to the petition of the men above all others who know what the situation is, and what ought to be done.

But that is not all, Mr. Speaker, this airport situation has got to be cleaned up and straightened up and something done about it anyway, and right away. You know that the Glenn Martin Co. is alleged to be constructing an airplane which will have a wing span of 188 feet, and will carry 100 passengers by day or 66 by night, and will be able to fly the Pacific in a single hop, or make a round trip, nonstop flight to Europe, and will be nearly three times the size of the Pan American clippers. A ship with the greatest wing spread of any airplane ever built in this country. Well, those who ought to know, tell me it is so, and neither it nor the clipper ships could ever land at Washington in the District of Columbia, the Capital of the United States of America because we do not have an airport. We ought to be ashamed.

It is about time that some of you people took hold and helped straighten out this situation. It is about time that the fear of God was put in the hearts and minds of some people, who either are now too dumb to appreciate the hazards to which they are subjecting the traveling public, or do not care. That is pretty strong, but I am going to let it stand. You can fool along when only dollars and cents are involved, and get away with it, but when human life is at stake it is no time for dilly-dallying, nor further unjustifiable delay. The Washington-Hoover Airport, as is, is both a public menace and a national disgrace.

AIR LINE PILOTS ASSOCIATION,
Chicago, November 18, 1937.

Mr. FRED D. FAGG, Jr.,
Director, Bureau of Air Commerce, Washington, D. C.

DEAR MR. FAGG: Enclosed herewith are copies of petitions signed by the pilots using the Washington-Hoover Airport.

We are opposed to the amendments recently instituted which alter the original restrictions with regard to the use of the Washington-Hoover Airport. The enclosed petitions request that the original restrictions be adhered to if safe operations are to be conducted at this airport.

Please note that councils 6 and 22 have special recommendations with regard to the use of the long-runway area.

Very truly yours,

AIR LINE PILOTS ASSOCIATION,
DAVID L. BEHNCKE, *President.*

OCTOBER 27, 1937.

To: Air Line Pilots Association, international (to be submitted to the Bureau of Air Commerce).
From: Local Council No. 22.
Subject: Washington-Hoover Airport restrictions.

We, the undersigned, pilots of American Air Lines, Inc., who comprise the membership of Local Council No. 22, resolve that safety restrictions in connection with the use of Washington-Hoover Airport are justifiable and necessary, and that the restrictions originally placed into effect by the Bureau of Air Commerce, with the following stipulations and amendments, shall govern and be properly enforced:

1. No DC–3 nor DC–2 equipment shall be allowed to land or take off at the Washington-Hoover Airport when the cross-wind component is greater than 10 miles per hour.

2. In landing, when the cross-wind component is less than 10 miles per hour and when wind direction does not parallel direction of the long runway, the pilot shall be allowed to utilize a space (the width of which shall be designated by the Bureau of Air Commerce) on either side of the long runway so that he may "angle" his landing sufficiently to take full advantage of the entire long runway area of the field, thereby enabling him to bring his craft more directly into the wind.

3. All take-offs shall be from the long runway and within the same space paralleling the long runway as designated by the Bureau of Air Commerce for landings.

4. Indicated on the following diagram [not printed] is the number of feet which, in the opinion of the members of this council, should be allowed on either side of the long runway for landing or take-off area to be utilized when cross-wind component does not exceed 10 miles per hour.

5. When indications are that the cross wind component is greater than 10 miles per hour, the pilots and all others should be warned sufficiently ahead of time so that a landing can be made at Bolling Field and arrangements made to pick up passengers and mail without causing confusion and delay.

Further, we are of the opinion that in the interests of safety all operations should be transferred to the new Bolling Field until a safe airport is constructed for the District of Columbia, and in the interim no air-line operations should be permitted at Washington-Hoover Airport.

P. C. Reynolds, Dean Smith, Marvin J. Parks, W. H. Dum, Fred Clarke, W. H. Talbot, W. A. Brooke, Alfred L. Hill, L. H. Bidwell, A. E. Hamer, D. I. Cooper, Arthur L. Caperton, R. C. Dodson, W. S. Shannon, J. G. Schneider, D. M. Machlin, S. T. Shoff, J. G. Town, S. R. Ross, William E. Hinton, T. L. Boyd, V. R. Evans, J. G. Adams, H. E. Clark, V. Irwin, O. J. Brown, H. P. Luna, F. M. Herdrich, D. S. Shipley, A. S. Keim, Jr., E. A. Cutrell, D. W. Smith, R. D. Wonsey, D. L. Boone, R. V. Kent, R. C. Maguire, G. W. Apitz.

This is a true copy.

BERNICE BERGENDER,
Stenographer.

Subscribed and sworn to before me this 18th day of November 1937.

EVELYN PREVIS DORAN,
Notary Public.

OCTOBER 29, 1937.

To: Air Line Pilots Association, international (to be submitted to the Bureau of Air Commerce).
From: Local Council No. 6.
Subject: Washington-Hoover Airport restrictions.

We the undersigned pilots of American Airlines, Inc., who comprise the membership of Local Council No. 6, resolve that: Safety restrictions in connection with the use of Washington-Hoover Airport are justifiable and necessary, and that the restrictions originally placed into effect by the Bureau of Air Commerce, with the following stipulations and amendments, shall govern and be properly enforced.

1. No DC–3 nor DC–2 equipment shall be allowed to land or take off at the Washington-Hoover Airport when the cross-wind component is greater than 10 miles per hour.

2. In landing, when the cross-wind component is less than 10 miles per hour and when wind direction does not parallel direction of the long runway, the pilot shall be allowed to utilize a space (the width of which shall be designated by the Bureau of Air Commerce) on either side of the long runway so that he may "angle" his landing sufficiently to take full advantage of the entire long-runway area of the field, thereby enabling him to bring his craft more directly into the wind.

3. All take-offs shall be from the long runway and within the same space paralleling the long runway as designated by the Bureau of Air Commerce for landings.

4. Indicated on the following diagram [not printed] is the number of feet which, in the opinion of the members of this council, should be allowed on either side of the long runway for landing or take-off area to be utilized when cross-wind component does not exceed 10 miles per hour.

5. When indications are that the cross-wind component is greater than 10 miles per hour, the pilots and all other should be warned sufficiently ahead of time so that a landing can be made at Bolling Field and arrangements made to pick up passengers and mail without causing confusion and delay.

Further, we are of the opinion that, in the interests of safety, all operations should be transferred to the new Bolling Field until a safe airport is constructed for the District of Columbia, and in the interim no air-line operations should be permitted at Washington-Hoover Airport.

Owen J. O'Connor, A. V. R. Marsh, R. S. Jones, H. W. Fanning, A. E. Tappan, C. Harmon, W. G. Hughen, G. L. Govoni, H. C. Smith, Randolph E. Churchill.

This is a true copy.

BERNICE BERGUNDER,
Stenographer.

Subscribed and sworn to before me this 18th day of November 1937.

[SEAL] EVELYN PREVIS DORAN,
Notary Public.

To: Air Line Pilots Association, international (to be submitted to the Bureau of Air Commerce).
From: Local Council No. 39.
Subject: Washington-Hoover Airport restrictions.

We, the undersigned pilots of American Airlines, who comprise the membership of Local Council No. 39, resolve that: Safety restrictions in connection with the use of Washington-Hoover Airport are justifiable and necessary, and that the original restrictions, placed into effect by the Bureau of Air Commerce, with the following stipulations and amendments, shall govern and be properly enforced:

1. No DC–3 nor DC–2 equipment shall be allowed to land or take off at the Washington-Hoover Airport when the cross-wind component is greater than 10 miles per hour.

2. When indications are that the cross-wind component is greater than 10 miles per hour, the pilots and all others should be warned sufficiently ahead of time so that a landing can be made at Bolling Field and arrangements made to pick up passengers and mail without causing confusion and delay.

Further, we are of the opinion that, in the interests of safety, all operations should be transferred to the new Bolling Field until a safe airport is constructed for the District of Columbia, and, in the interim, no air-line operations should be permitted at Washington-Hoover Airport.

Usher Rousch, L. W. Bryant, C. W. Allen, Ed. Coates, F. R. Bailey, L. Stephan, W. M. Keasler, M. D. Ator, L. B. Van Meter, H. W. Susott, W. R. Hunt, G H. Woolweaver, Frank J. Waddell, Lawrence Claude, J. A. Hammer, E. C. Floyd, John J. O'Connell, Ted E. Jonson, D. F. Dryer, B. C. Pettigrew, David C. Barrow, Jr., P. Marvin Althaus, Larry Harris, E. A. Rohl, C. C. Mitchell, D. E. Lindsey, E. M. Carson, E. S. Swanson, S. F. Gerding, E. H. Schlanser, W. H. Records, David T. Harris, J. T. Winstead, Jr., J. G. Deater, W. P. Steiner, R. E. Pickering, E. A. Austen, C. G. Jordan, Stanley J. Young, L. Blomgren, C. D. Young, M. C. Hack, B. G. O'Hara, H. D. Bowyer, M. J. Griggs, Lee Williams, H. E. Pielemeier, Hiram W. Sheridan.

This is a true copy.

BERNICE BERGUNDER,
Stenographer.

Subscribed and sworn to before me this 18th day of November 1937.

EVELYN PREVIS DORAN,
Notary Public.

To: Air Line Pilots' Association, international (to be submitted to the Bureau of Air Commerce).
From: Local Council, No. 50.
Subject: Washington-Hoover Airport restrictions.

We, the undersigned pilots of American Airlines, Inc., who comprise the membership of Local Council No. 50, resolve that: Safety restrictions in connection with the use of Washington-Hoover Airport are justifiable and necessary, and that the original restrictions placed into effect by the Bureau of Air Commerce, with the following stipulations and amendments, shall govern and be properly enforced:

1. No DC–3 nor DC–2 equipment shall be allowed to land or take off at the Washington-Hoover Airport when the cross-wind component is greater than 10 miles per hour.

2. When indications are that the cross-wind component is greater than 10 miles per hour the pilots and all others should be warned sufficiently ahead of time so that a landing can be made at Bolling Field and arrangements made to pick up passengers and mail without causing confusion and delay.

Further we are of the opinion that, in the interests of safety, all operations should be transferred to the new Bolling Field until a safe airport is constructed for the District of Columbia, and in the interim no air-line operations should be permitted at Washington-Hoover Airport.

T. J. Lee; H. E. Matheny; D. W. Ledbetter; W. H. Moore; W. N. Pharr, second pilot; R. McInnis, second pilot; G. C. Nye, second pilot; J. E. Stroud.

This is a true copy.

BERNICE BERGUNDER,
Stenographer.

Subscribed and sworn to before me this 18th day of November 1937.

EVELYN PREVIS DORAN,
Notary Public.

To: Air Line Pilots Association, international (to be submitted to the Bureau of Air Commerce).
From: Local Council No. 35.
Subject: Washington-Hoover Airport restrictions.

We, the undersigned pilots of American Airlines, who comprise the membership of Local Council No. 35, resolve that: Safety restrictions in connection with the use of Washington-Hoover Airport are justifiable and necessary, and that the original restrictions, placed into effect by the Bureau of Air Commerce, with the following stipulations and amendments, shall govern and be properly enforced:

1. No DC–3 nor DC–2 equipment shall be allowed to land or take off at the Washington-Hoover Airport when the cross-wind component is greater than 10 miles per hour.

2. When indications are that the cross-wind component is greater than 10 miles per hour, the pilots and all others should be warned sufficiently ahead of time so that a landing can be made at Bolling Field and arrangements made to pick up passengers and mail without causing confusion and delay.

Further, we are of the opinion that, in the interests of safety, all operations should be transferred to the new Bolling Field until a safe airport is constructed for the District of Columbia, and in the interim no air-line operations should be permitted at Washington-Hoover Airport.

B. Payne, B. A. Carpenter, W. A. McDonald, W. P. McFail, Jno. S. Pricer, M. M. Kay, J. W. Johannpeter, R. H. Jewell, W. J. Hunter, L. P. Hudson.

This is a true copy.

BERNICE BERGUNDER,
Stenographer.

Subscribed and sworn to before me this 18th day of November 1937.

EVELYN PREVIS DORAN,
Notary Public.

NEWARK, N. J., *October 3, 1937.*

We, the undersigned Eastern Air Line pilots, resolve that the recent safety restriction of Washington Airport is justified and necessary, and we agree that in the interest of safety all operations should be transferred to the new Bolling Field until a safe airport is constructed for the District of Columbia, and in the interim no air-line operation should be permitted for Washington Airport.

It has become evident that if the pilots force the issue of moving to the new Bolling Field, that several pilots will lose their run due to the fact the management of Eastern Air Lines has stated that they (the company) would be forced to curtail schedules. The pilots are therefore placed in a position of being forced to use an unsafe airport to prevent curtailment of service.

E. W. Chandler, F. A. Jones, J. H. Brown, F. L. Dorset, H. O. Aigeltinger, G. W. Youngerman, 3d, Charles J. Schuster, Jr., W. M. Hampson, R. C. Young, M. A. C. Johnson, E. A. Barber, L. C. Cloney, George C. Diggs, Cecil C. Foxworth, C. W. Fitts, M. L. Sater, James W. Williams, C. E. Potts, Eugene R. Brown, Douglas Worthen (L. C. C.), R. P. Hewitt, H. O. Hudgins, J. B. Armstrong, W. F. Phillippi, J. M. Farmer, F. B. Jaster, C. M. Robertson, R. W. Tucker, W. B. Inman, Jr., Ralph K. Smith, Sam H. Hale.

This is a true copy.

BERNICE BERGUNDER,
Stenographer.

Subscribed and sworn to before me this 18th day of November 1937.

EVELYN PREVIS DORAN,
Notary Public.

EXTENSION OF REMARKS

Mr. PLUMLEY. Mr. Speaker, I ask unanimous consent to revise and extend my remarks in the RECORD and include therein a petition signed by the air-line pilots who land at this port.

The SPEAKER. Is there objection to the request of the gentleman from Vermont?

There was no objection.

Mr. MASON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a telegram received from the Non-Partisan League of Illinois, together with my answer thereto.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

Mr. EATON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein a brief editorial from the New York Times on the subject of the wage and hour bill.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

CALL OF THE HOUSE

Mr. SNELL. Mr. Speaker, I make the point of order a quorum is not present.

The SPEAKER. Evidently a quorum is not present.

Mrs. NORTON. Mr. Speaker, I move a call of the House.

A call of the House was ordered.

The Clerk called the roll, and the following Members failed to answer to their names:

[Roll No. 18]

Atkinson	Costello	McGroarty	Towey
Boylan, N. Y.	Eckert	Mahon, Tex.	Wigglesworth
Brooks	Englebright	Mosier, Ohio	Weaver
Buckley, N. Y.	Flannagan	Palmisano	Whelchel
Burdick	Gasque	Reilly	White, Ohio
Cannon, Wis.	Hill, Wash.	Richards	Wadsworth
Coffee, Wash.	Izac	Sacks	Wolfenden
Cole, Md.	Kleberg	Somers, N. Y.	

The SPEAKER. On this call 400 Members have answered to their names, a quorum.

On motion of Mrs. NORTON, further proceedings under the call were dispensed with.

EXTENSION OF REMARKS

Mr. LEAVY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address by the Commissioner of the Bureau of Reclamation.

The SPEAKER. Is there objection to the request of the gentleman from Washington?

There was no objection.

ADJOURNMENT OVER

Mr. KRAMER. Mr. Speaker, I understand that at the conclusion of three hours and a half of further general debate today it is the intention that the Committee will rise and the House will then adjourn until tomorrow, when the reading of the bill for amendment will be commenced. I understand that on tomorrow the committee will support a new bill, which is now in the hands of the printer. How on earth are we going to know what is in this new bill when we have not had an opportunity to have it presented to us?

The SPEAKER. Does the gentleman submit a parliamentary inquiry? If so, the gentleman will state it.

Mr. KRAMER. May I ask the Speaker if we could have some time tomorrow to consider this new bill before we begin the reading of the measure for amendment?

The SPEAKER. In answer to the parliamentary inquiry of the gentleman from California, the Chair may state that this is a matter entirely within the control of the House on tomorrow. The Chair cannot venture any prediction as to what action the House may take.

EXTENSION OF REMARKS

Mr. CURLEY. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include therein an address delivered by me over the radio Saturday night.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. CULKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD by printing a memorandum by me on the subject of harbors of refuge for small craft.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

THE WAGE AND HOUR BILL

Mrs. NORTON. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill (S. 2475) to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill S. 2475, with Mr. MCCORMACK in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. The Chair will advise those in control of the time, as well as other members of the Committee, that at the present time the gentlewoman from New Jersey has consumed 1 hour and 33 minutes and has 1 hour and 27 minutes remaining. The gentleman from California [Mr. WELCH] has consumed 1 hour and 17 minutes and has 1 hour and 43 minutes remaining. The total time consumed is 2 hours and 50 minutes with 3 hours and 10 minutes remaining.

Mrs. NORTON. Mr. Chairman, I yield myself 1 minute to make a statement to the Committee.

Yesterday I promised to have in the hands of the Committee today a clean bill containing all amendments adopted by the committee. Due to a mistake in the Printing Office, three sections of the bill were left out and two others transposed. Therefore we were obliged to send the bills back for correction. I regret this error and the delay resulting from it. We shall have the corrected copy tomorrow morning to present to the committee.

Mr. O'MALLEY and Mr. KRAMER rose.

Mrs. NORTON. I yield to the gentleman from Wisconsin.

Mr. O'MALLEY. Is it the intention of the gentlewoman from New Jersey to withhold offering amendments until such time as the membership may have the new copy of the bill in their hands?

Mrs. NORTON. Yes.

Mr. O'MALLEY. And it is the intention just to have debate today?

Mrs. NORTON. Yes.

Mr. KRAMER. Mr. Chairman, will the gentlewoman from New Jersey yield?

Mrs. NORTON. I yield.

Mr. KRAMER. I understand the gentlewoman from New Jersey to say she expects to have the copy of the new bill in the hands of the Members of the Committee tonight——

Mrs. NORTON. Tomorrow morning.

Mr. KRAMER. I understand that there will be in the hands of the Committee tomorrow a clean bill. I do not know what the gentlewoman from New Jersey means by a clean bill——

Mrs. NORTON. I will explain to the gentleman, if he will yield to me.

Mr. KRAMER. Just a minute, please. I will say this, Mr. Chairman. We should have time enough after we receive this clean bill to find out whether it is clean [applause], and it is high time we had more time to discuss this matter than just a few moments before we go back into the House.

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield myself one-half minute to answer a question of the majority leader.

Mr. RAYBURN. May I ask the gentlewoman from New Jersey this question? Is it not true that the bill she will have

tomorrow coming back from the Printing Office is exactly the bill on the desks of the Members now?

Mrs. NORTON. Exactly.

Mr. RAYBURN. Therefore, there is nothing new about it and no one need be surprised.

Mr. KRAMER. Mr. Chairman, will the gentlewoman from New Jersey yield for another question?

Mrs. NORTON. I yield.

Mr. KRAMER. I want to know whether that bill has a provision in it to take care of the agricultural situation.

Mrs. NORTON. It is exactly the same as the other bill.

Mr. KRAMER. That bill has no such provision to take care of our fruit crops, and so forth.

Mrs. NORTON. There is no difference in the bills.

Mr. SNELL. Mr. Chairman, will the gentlewoman from New Jersey yield?

Mrs. NORTON. I yield to the gentleman from New York.

Mr. SNELL. If the new bill is exactly the same as the one we have at the present time, why can we not start reading the present bill?

Mr. RAYBURN. I will say to the gentleman from New York it is exactly the same in substance——

Mr. SNELL. Oh, that is different.

Mr. RAYBURN. Just a moment, I had not finished my statement. I say it is exactly the same, word for word, except the italics are not in the bill as reported out by the committee. It is exactly the same bill without all of the marking out and the printing in italics, and so forth. It is the same word for word as the bill the committee reported.

Mr. KRAMER. As the gentleman knows, at the present time there is not a single, solitary word in the bill to take care of the agricultural situation.

Mr. RAYBURN. I do not know about that.

Mr. KRAMER. I do, because I have read the bill.

Mr. WELCH. Mr. Chairman, I yield 9 minutes to the gentleman from Kansas [Mr. LAMBERTSON].

Mr. LAMBERTSON. Mr. Chairman, there has been about everything else in this bill rather than wages and hours. This bill has not been pushed forward by labor. It has come from the President of the United States. When his message on this subject came to Congress in May it was in his mind, I think, to make this his second N. R. A. At that time the Senate was in the throes of the Court debate. The President is most determined, refusing to take defeat or admit defeat. He held a grudge against the Supreme Court for throwing out the A. A. A. and the N. R. A. He was determined to pass them both again under a slightly revamped Supreme Court and at the same time arrogate to himself more power in the executive department with the reorganization bill. He planned to jam these three things through the special session without the usual consideration. In his first inaugural he quoted Theodore Roosevelt about being content to bat 75 percent. Franklin has not admitted yet in 4½ years that he has fanned or even fouled the ball.

The joint hearings then came about. In those hearings John L. Lewis and William Green were reluctant to acquiesce in the power given this board. It has been my contention from the beginning of these hearings that the power to fix minimum wages by a board, giving them the power to vary them wherever they please, is giving them the power to fix wages. This, under the original bill, would make the President with his political board a dictator over industry.

John Lewis' own words, summed up in the hearing, are as follows:

> * * * I do not think that under section 5 of this act the Congress can afford to set up an instrumentality here and vest it with all of the broad powers that may be necessary to confirm wage fixing as such in the country and then go through a struggle of some years with our Federal judiciary to determine whether, after all, American workmen are freemen or indentured servants.

It was not the urge of labor that put the signers on the petition. It was the Democratic whip and the pressure from the organization on the majority side that did it. When William Green, about 3 weeks ago, finally came out against the bill, the administration leaders in connection with this bill said, "We'll show him who the real labor leader of the United States is." They set about desperately to get these signers. The Labor Committee met and instructed their chairwoman to announce to the House that the objectionable board would be done away with should it be allowed to come to the floor and the Department of Labor substituted. This was done to help get signatures after the Green statement. Then, too, a "pork barrel" was entered into by the southern farm leaders, whose cotton bill was in distress. I say cotton bill because a majority of the Agricultural Committee from the North voted against the farm bill on final passage.

My colleague on the committee from Connecticut said, in substance, yesterday that a lot of the majority had ridden into office on the coattail of the President and they had better stand by him. This all goes to show whose bill this is. The C. I. O. is for the bill now because Mr. Green is against it. You will remember that the threatening letter that was read yesterday was from Homer Martin, not John L. Lewis. It came second-handed.

Some Members are saying they are going to stand by the committee. The committee has three bills—the one that is directly before us which provides for the board, one that I opposed when it was reported out, then the substitute, giving it to an independent administrator in the Department of Labor, which the gentle chairwoman is ready to offer as an amendment, and actually the committee today favors the Green proposal and a poll of them this hour will indicate it. So it is uncertain when you speak about this, what the committee is for.

Permit me to go back to the hearings to say that Gen. Hugh Johnson, who was the first administrator of the N. R. A., was not called to testify, neither was Donald Richberg, but Mr. Richberg sent a statement which I placed in the CONGRESSIONAL RECORD, opposing the bill. Johnson has opposed it vigorously.

Wages and hours are enticing in title. Shorter hours and more pay, aside from better working conditions are perpetual slogans of labor, and properly should be. So the title is one that no one can oppose. The whole thing might properly be left with the several States, most of whom have already gone a long way on this subject, but to put all wages and hours under the Federal Government, and that is what this bill aims at, is not mature in any bill before this House. It needs to be recommitted for further study.

I want to draw a contrast between the progressiveness of Theodore Roosevelt and the new dealism of Franklin. Progressive Republicans 30 years ago were fighting against intrenched special privilege. In my State, and that was when I went to my first legislature, the progressives had just passed the antipass bill. State utility commissions were just being created to regulate rates. The people were demanding the primary, doing away with the boss-ridden manipulated convention. They were beginning to protest against high tariffs whose equal benefits did not trickle into the Middle and Central West. Teddy was wielding a big stick against monopoly. This was the progressivism of 30 years ago. The New Deal has not hinted at trust busting. The one forgotten Department in the Cabinet is the Attorney General. Has anybody inquired in the last few years into why a 16-hole wheat drill should cost $250? Has anybody looked any further into why cement is all one price?—two things farmers use. Instead of making onslaughts on injustices, the New Deal seeks to jack up the delinquent by artificial means, and almost every New Deal measure is a spending measure primarily, which creates a big overhead set-up with thousands of employees with little regard to the civil service. This is the difference between the two Roosevelts.

One thing that would be delightfully received today by all poor people—farmers and laborers—would be cheaper in-

terest rates. The farmers would rather have the Frazier-Lemke bill than the Jones farm bill. The home owner would rather have cheaper interest rates than a political wage and hour bill. Yet last spring the President vetoed it and we passed it over his objection, holding down interest rates on Federal land-bank loans to where they were. The President and Mr. Myers wanted to raise them.

This subject of nationalizing and standardizing wages and hours is too big to trifle with or play politics with. Let us recommit this bill for further study. Let us leave it in the committee then until we have determined in this country for sure whether or not we are going to have a dictator. Let us settle that question first. Let us not settle it over the broken bodies of labor in a political way.

My colleague from Connecticut asked the question yesterday, "Why should not labor have these desired wages and hours?" My answer is, "Why did you defeat parity price for the farmers the other day? You said that parity for farmers would bankrupt the Nation."

My ranking colleague on the minority side said this was one of the objectives of the special session—to pass this legislation. It was the President's object, but there was no emergency in this legislation and it had no business to be brought up in a special session. It was done so it would dramatize it before the country as an emergency and to pass it with curtailed debate, and it is taking a "pork barrel" to do it.

By the way, the "pork barrel" is one of the dignified attributes of the New Deal. Do you remember the closing days of the last session when the Big Thompson, which had not been authorized, was hooked up with the Grand Coulee, the Casper-Alcova, the Central Valley, the Hila, the Natchez Trace, and Skyline Drive, all in one grand "pork barrel," and it met Presidential approval?

Let us swat the "pork barrel!" Let us swat the dictator! Let us stop throwing money to the wind! Let us use our own heads! [Applause.]

The CHAIRMAN. The gentlewoman from New Jersey yielded 20 minutes to the gentleman from Tennessee [Mr. McREYNOLDS], which action was accepted by the Committee, and the gentleman from Tennessee yielded 10 of those minutes to the gentleman from Florida [Mr. WILCOX]. The gentleman from Tennessee still has 10 minutes remaining.

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Tennessee [Mr. McREYNOLDS].

The CHAIRMAN. The Chair understands that in consuming 10 minutes at this time the gentleman from Tennessee consumes the remaining portion of the 20 minutes the gentlewoman yielded to him?

Mrs. NORTON. That is correct.

Mr. McREYNOLDS. Mr. Chairman, I ask the House not to interrupt me during this short time. We were unable to get more than 20 minutes out of this liberal time when we procured 2 hours additional time for general debate—20 minutes for the opposition.

I aided in getting this 2 hours additional time with the understanding that we Democrats representing the opposition should have a fair division, and yet notwithstanding that they have only given me 20 minutes to be divided. This rather indicates to me that they are afraid of proper discussion. It is hard to know what bill we are discussing, because it has been announced that the bill has not yet been printed which it is intended the House shall consider.

This bill deals with the greatest economic question with which this country has ever been faced, and it is the most far reaching, and I am advised that the bill which is scheduled to come in here tomorrow will probably have 60 different changes from the committee, and yet they expect us to take it up and give it proper consideration. The committee itself time and again has changed the bill and there are very few, if any, people on this floor, unless it be a few of the members, have any knowledge of what the specific bill will contain when it comes before us for consideration tomorrow. The gentlewoman from New Jersey [Mrs. NORTON] yesterday said that this baby had been dumped on her doorstep some time last summer and she was asking the House to father it. We are trying to find out who its daddy is. Mr. Green, of the American Federation of Labor, says that he had nothing to do with it. Mr. Lewis, at that time, did not insist on or claim any parentage.

The American Farm Bureau is against it, the National Grange is against it. One then is forced to but one conclusion, and that is that this child, born out of wedlock, in impractical idealism, has been abandoned by its repenting parents, and left upon the doorstep of the kindly and gracious gentlewoman from New Jersey, and she, not being satisfied with it, has kept on changing it in an effort to curry favor from labor, proven indifferent to the child, and its self-appointed nursemaids have so mishandled the diapers and safety pins until from too frequent changing the poor child is now suffering from a pernicious skin rash. [Applause and laughter.] The result is that its identity would not be recognized by its own parents, if indeed it has any. This trying to find the father of the bill reminds me of that great evangelist, Sam Jones, known throughout the United States, and especially in the South, years ago. He was in my town onetime, speaking nightly to five or six thousand people in a great auditorium. He was in a controversy with the editor of the paper there. The editor would shoot him one day and Sam would shoot the editor the next night. Finally the editor of the paper wrote an article in which he denied writing those editorials, and Sam's reply was this:

> Whenever you shoot into a hole, something comes out. We cannot find out who is the daddy of the editorials, and it reminds me of the little girl who had a little kitty in her lap. She said, "Poor little kitty, poor little fellow, I know who your mamma is, but I don't know your papa; he must be a traveling man."

[Laughter and applause.]

Mr. Chairman, what is the bill that we are to discuss? We discovered a few minutes ago that this great organization in this House, that would hardly listen to me to make a parliamentary inquiry, had not yet printed the bill that it is proposed to have here as a substitute tomorrow. Do you think that is proper consideration? I charge now that if you pass any bill of the nature of that committee print, you are going to put the life and death struggle of industry in this country in the hands of Mme. Perkins, of the Labor Department, and I shall prove it. They are undertaking to create a dictator in this new bill, who will have more authority than the President of the United States. If there is any tenure on his term of office, I do not know it and no power of removal. He will have authority to send to your businessmen and to my businessmen and demand their books. The procedure is for the commissioner, or otherwise dictator, to appoint a committee consisting of so many representing industry, and so many representing labor, and he appoints a chairman to make investigations and report to him. They have the authority to go into your private books and publish them if they so desire, and if they make a report to the commissioner and he is not satisfied with this report he has the right to fire them and appoint someone else.

Of course, we are guessing at what is going to be in the bill, and we have to do the best we can, but under section 14 it is provided that the Administrator shall utilize the Department of Labor for all the investigations and inspections necessary under this section.

Now, who will make these investigations? That devolves upon the present Commissioner of Labor, Mme. Perkins, who is reported to have said that women and children did not wear shoes in the South. I have seen no denial of that. It is going to devolve upon her, who says that there is no differential between the North and the South. Yet when Harry Hopkins paid our southern people, under P. W. A.,

$19 per month he paid workers doing the same jobs in New York $52 per month. Is that not a differential?

In wages we are entitled to a differential in the South. The standard of living is cheaper; we are discriminated against relative to railroad rates. As an illustration, it costs us almost twice as much to ship from the town I live in—Chattanooga—to Chicago as it does from Chicago to Chattanooga. It is further to our market and costs us more railroad transportation. For instance, a manufacturer of lime in my district, and one of my friends, told me that his average market was 400 miles away from his plant, whereas in the East it does not exceed 150 miles. They are more thickly populated in the East than we are.

You can put all you please in this bill to make people pay 40 cents an hour—and that is the policy of the bill—but industry will not work those people who are not worth it. My friends from the South, you know that this bill, if passed, will discriminate against you.

You well know that some northern writers have denounced this as a tariff against the South, and you further know that the South has been the victim these many years of the foreign tariff established by the northern Republicans, and now the Democratic leadership is asking that this additional burden be placed upon us.

You men from the South who vote for this bill, when you go back home and see your factories closed and women and children put out of employment, you cannot plead successfully the alibi that you did not even dream of this condition.

You go back home and try to defend the fact that some of the leaders of this House were for this bill, and they will immediately tell you that those leaders were in a different position; that they would like to know how those leaders would have voted had they not been occupying official positions. That is the way I feel about it.

Do not you people in the North know that modern communications and transportation are such that if you destroy one part of our country you destroy the entire Nation's prosperity? We are great feeders to you people in New York. You are the reservoirs. If you dry up the streams that flow from the South, where will you be? You people from Chicago, we in Tennessee do a great deal of business with you. If you kill the goose that lays the eggs, no gosling will be hatched for you in Chicago.

But they say this bill is so drawn that they can grant differentials. Perhaps this is true, but at the same time it is absolutely an impossibility for it to be done. There are tens of thousands of different occupations and tens of thousands of the same occupations, and you cannot work them out separately; they have to be worked out in groups. For instance: They may appoint a committee for the hosiery business; another for the mercerizing business; another for the overalls business, and so on. This is the way that it will have to be done; it is an absolute impossibility to do it otherwise. So you people in the South, or in any other section, cannot expect to be dealt with except by groups. This question arose in the Senate and the question was propounded to Mr. Black, at that time Senator Black, now Justice Black, and he gave the following answer, which I quote:

> I will say to the Senator that it is my judgment this board would not have the power to fix one wage scale for one unit or units and another wage scale for another unit or units, because there are tens of thousands of such units and the bill does not contemplate any such action.

My friends, I am as good a Democrat as anybody on this floor. There is nobody on this floor that has a better record for standing by the administration than I have, unless it be my old friend, BOB DOUGHTON, of North Carolina, and he is with me in this fight. But I am remembering what is at home. I do not want the South crucified. I would like to improve wages and I would like to shorten hours, but you cannot do it this way. There are manufacturers all over my country who say that if you pass this bill they will have to close up and go into bankruptcy. Take the sawmills of your State. What would happen to them? Take the sugar industry in your State, my dear sir. This is the first time I have ever known the business interests of this country to be glad Congress is in session, and they are expecting some aid from Congress. It is no time for reform measures. You know the conditions. It was said the other day that there are more people demanding relief now than ever before. The people of the United States are looking to Congress to do something. So, boys, do not fall down on the job. Do your duty. Do what you think is right. Follow the dictates of your own conscience and your own people. Let me say we need legislation for the business interests instead of trying to have reformation at this time. [Applause.] That is what we need. You Democrats cannot discount the fact that we are in a dreadful shape. You might just as well walk up like men and face it. This will put thousands of people out of employment. I ask you southern men to remember your own districts first. There is no sectionalism in my bosom, but I do not want to see any legislation passed that will affect my section differently, and you know it, and you cannot have any alibi for it when you go home if you vote differently on this legislation.

Now, my friends, I appeal to you. I want to appeal to your reason. I want to appeal to your sense of fairness. I say that this is too great a question for us to consider in this way. You see that the opposition has been handicapped; that they had no opportunity to even make a logical discussion.

If a given industry does not obey the mandates of this bill, where do they take the alleged offender? They take him before the district court. But if he has anything he wants to file in court, they send him to the circuit court of appeals, away from his home. With me, it would be over 300 miles that one of my people would have to travel to Cincinnati before they could go to the circuit court of appeals, and there the court will only consider legal matters. The dictator is the whole judge of the facts.

Mr. CELLER. Mr. Chairman, will the gentleman yield?

Mr. MCREYNOLDS. No; I have not the time. That is the trouble. I appeal to you boys from the South. Open your eyes. Remember the effect it would have on you. You will remember that the Republican Senator from Massachusetts [Mr. LODGE] voted for this bill because he thought the State of Massachusetts was getting an advantage. That is the reason. I thank God there are some men in this House from that State who are patriotic enough that they will not do it, because they believe in a fair deal for all people. [Applause.]

So, my friends, I owe as much allegiance to my President as any of you, and nobody has been closer to him than I have. But who knows the President is for this measure? I venture to say he has never read this bill. There is a difference between the time when he sent that measure in here in May and this time. We thought we were going in high at that time. Business was good; but now it is different. The President has recognized this fact. Have you heard a word from him? I imagine Mme. Perkins has read the bill, but I venture to say the President of the United States has not even read this bill, and no Democratic platform would ever endorse a bill of this character.

You can put whatever you want to in the Democratic platform, but we have some rights when it comes to construing the character of legislation that is to be passed.

Mr. Chairman, I believe I have taken about all the time that was allotted to me. I wonder if the gentlemen on the Republican side can give me any extra time? They are silent.

Mr. Chairman, I want to ask what bill are we considering? They are asking us to substitute tomorrow a bill that has not yet been printed. This bill should be recommitted to the committee. In conclusion I appeal to the men from the North, my friends from the East, West, and South not to sacrifice labor, organized and unorganized labor, not to sacrifice industry; and I pray you not to sacrifice the interests of the people of the Nation and in particular the people of the South. [Applause.]

[Here the gavel fell.]

Mr. DEEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. DEEN. Mr. Chairman, the gentleman from Tennessee has suggested a parliamentary situation which prompts this inquiry. Does a committee have the right under the rules of the House to report a bill which bears the names of two persons, neither of whom are Members of the Congress at the time the bill is under consideration? In this connection, Mr. Chairman, I call attention to line 3 in the bill which states that this act may be cited as the Black-Connery Act. And further in connection with the parliamentary inquiry, Mr. Chairman, may I state that neither Mr. Black nor Mr. Connery, the original authors of the bill, are Members of Congress at the present time.

The CHAIRMAN (Mr. McCORMACK). The Chair will state that while the Chair does not feel that the gentleman's inquiry constitutes a parliamentary inquiry; yet, for the information of the gentleman, it is the opinion of the Chair that whatever consideration the gentleman has on the matter he has mentioned would have to be met by way of amendment rather than by any other action. The Chair does not feel that the gentleman has submitted a parliamentary inquiry, but the Chair is of the opinion that if the gentleman has any objection to the references contained in the bill, that they could be corrected by amendment.

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state his parliamentary inquiry.

Mr. RANKIN. Is it not the probability that they had to go outside of Congress to get somebody after whom to name the bill, somebody who could not be here to protest? [Laughter.]

The CHAIRMAN. The Chair does not consider that a parliamentary inquiry.

Mr. GREEN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state the parliamentary inquiry.

Mr. GREEN. What percentage of the time has been used by the proponents of this bill and by the opponents of the bill?

The CHAIRMAN. The Chair is unable to state that. The Chair does not consider that the gentleman has submitted a parliamentary inquiry. Were the Chair able to furnish the gentleman the answer, the Chair would be very glad to do so. All the Chair can recognize is that the gentlewoman from New Jersey and the gentleman from California control the time. How much time has been used by speakers for the measure and by speakers against the measure the Chair is unable to advise the gentleman.

Mr. GREEN. A further parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. GREEN. Has it not been the custom of the House that on highly controversial measures the opposition may have as much as one-third of the time on general debate?

The CHAIRMAN. The Chair feels that the gentleman is sufficiently acquainted with the customs of the House to answer the question himself.

Mr. WELCH. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. GIFFORD].

Mr. GIFFORD. Mr. Chairman, in the remarks I am about to make I sincerely hope that I may still be recognized, considering my many former statements on the floor of this House.

On May 24, 1937, the President informed us that the time had arrived to take further action to extend the frontiers of social progress. He wrote:

> We propose that only goods which have been produced under conditions which meet the minimum standards of free labor shall be admitted to interstate commerce.

The bill before us seems to be the answer of Congress to that message.

Is this purely another socialistic experiment? What a madhouse structure we have erected during the last 5 years. At what a cost to future generations. In this construction the constituency which I represent have heretofore been assigned to the cellar, where the storehouse is generally placed, the storehouse which provides sustenance for those who occupy the upper floors of the structure. This bill purports to provide for the preparation of another room, which we may possibly occupy.

My constituents believe that we had best help in the building of this room, in the hope that they may then enjoy a little of the sunshine and be freed from the darkness to which they have been subjected. Personally, I have extreme fear that the indefinite conditions described in this bill will not greatly alleviate our condition.

I doubt that a sympathetic architect, or architects, will be placed in charge. Carefully and fully have I explained to my people the differentials contemplated in this bill. The occupants of the other rooms will probably refuse to pay for proper living conditions in ours. They will probably still be allowed to produce goods at lower cost, if the architect is to be sympathetic toward their protestations regarding climate, economic conditions, locations, willingness to work for small wages and other great variety of reasons advanced. But my constituents, after careful consideration, telegraphed and telephoned me to sign the petition to get a wage-and-hour bill up for consideration. I have not been able to recognize myself since I signed that petition. [Laughter and applause.] Some others of my friends seem to have difficulty in recognition also. I represent a constituency, however, now in an extremity of industrial inactivity, which is willing to grasp at any hope-inspiring proffer of aid from the Government. I should see that they are properly represented. They send me here to speak for them.

It is disconcerting, however, to those who wish to help labor to find it so hopelessly divided and the two factions waging such relentless battle for supremacy. Difficult is the task to help people who are unable to make decisions as to what they themselves desire for their own good. Perhaps you noticed this jingle:

> I have witnessed many wonders,
> But I fear this won't be seen:
> The merging of John Lewis
> With Mr. William Green.

It looks like an improbability at the moment.

Long have I pleaded for sympathetic consideration for the northern textile industry. After many years of cheap labor competition from the South, a devastating processing tax was placed upon that industry, to pay the benefits granted to agriculture.

The invalidation of the A. A. A. saved us from complete annihilation. The leaders of industry marched upon Washington, and the President merely assigned Cabinet members to hear their protests. But the Supreme Court came to our rescue. Our southern Members taunted us in those days on our inability to meet that competition. I shall not now take your time, but I will insert in the RECORD an excerpt from a speech I made in 1935 in answer to the rebuke handed to us by that very able leader, the gentleman from North Carolina [Mr. WARREN]:

> At no time have we claimed that this tax was even the main trouble, but we do claim that this is the one thing left to this Congress where we as a legislative body can effect relief and perhaps remove this last straw which has had the effect of creating a tremendous sales resistance to the products of this industry. So do not say that we have laid too much stress on this one thing. Far from it. At these various meetings to which the gentleman referred, many other matters were freely and frankly discussed as creating serious difficulties in the carrying on of this industry.
>
> The gentleman demanded to know why we have been unable to keep our mills in New England. He threw that question at us with great emphasis and apparently in ridicule and with personal enjoyment. Every schoolboy knows the answer to that question. As far back as we can remember his section has enjoyed the benefits of cheap labor. Of late years, and even today under the code, it still manages to enjoy that tremendous advantage. With proper pride New England can say that it has for many years been able to meet and overcome this disadvantage through sheer efficiency. It is, however, a matter of shame to us that in this great fight for equal opportunity much northern capital has gone into the South, lending additional strength to that competition, and many New England textile operators have also moved their plants there, in order to take advantage of these labor conditions. And to make

our fight still more difficult, it is feared that there will be those who will secretly endeavor to retain such conditions in the code for their own profit.

How does the gentleman from North Carolina dare to taunt New England, which has so long paid much higher wages to labor and, in addition, enacted many humanitarian laws to make life for the employees more bearable and the expense of which fell upon the employer? Is he, indeed, proud that his State could bait away our industries by the low wages paid to women and children? Is he, indeed, proud of the system of tenantry so largely obtaining in his own section?

Compare the situation of the textile employee of his locality with what has, at least, been that of those in New England, where labor has been able to own their own dwelling houses without fear of eviction and have the happiness that comes from the enjoyment of a home free from the dictates and whims of an employer. To taunt New England in this matter, to suggest that labor conditions in the South have been and are what they should be, and by implication to suggest that we ought to go backward to similar conditions in order to retain our mills is not an argument such as should win the plaudits of his hearers.

New England has given much to the entire country, not only men of the pioneer type but of her wealth, taking great risks to build up your various industries all over this country. She has paid enormous taxes by comparison with most other States. You know that men of thrift and industry live there. Our people have always worked and saved. They have not had other people to wait upon them. They have not had cheap labor. The young men in our section were not brought up to be gentlemen to be waited upon. Our whalers went to the farthest corners of the earth and made a little money, and when that industry ended they were willing to experiment and invest in the textile industry. In those days how happy the South was that New England did it! Yesterday the speech of the gentleman from North Carolina [Mr. WARREN] was carefully prepared and skillfully read. Seemingly it met with the approbation of a great political party, but to me it gave evidence of too much satisfaction over the thought that New England's mills could not compete with the conditions existing in other parts of the country. So I have now taken my turn to rise here to plead and to protest with all the power I possess, to the end that greatly needed relief may be afforded to this great but stricken industry, whether located in the North or in the South.

Today the shoe is on the other foot. They are now fearful that they cannot meet fair competition. You people of the South who have been competing against us under such substandard conditions believe that this legislation will prove injurious to you, and, conversely, of great benefit to my part of the country. You who have taken the floor and talked against bureaucratic control and centralization today must fail to recognize yourselves in the looking glass of the recent past.

As I say, you have erected this madhouse. You have exhausted our credit and largely wasted the savings of our people. Now we must occupy the crazy structure which you have built. If we can have but one room in which there may be a little sunlight, my people are urging me to think very carefully before rejecting even such poor quarters.

Our worry this afternoon is not only about present conditions. There is the matter of the trade agreement with Great Britain, by which she may possibly buy more of your raw cotton. But when that trade agreement is consummated we are fearful, indeed, of the result to the whole cotton and textile industry of the United States.

Our protests seemingly have not received much attention when other trade agreements have been under consideration.

I want to remind the Members of the House that the Democrats have 80 percent of this body. It was hard for me, one of the little 20-percent minority, to help bail out a measure by signing a petition on an administration proposition.

I sympathize with you Democrats of the South who, in the victory of your party, have been forced to embrace the Democrats of the North. You had more consideration given you in connection with the antilynching and other matters vital to you under the Republicans when that party was in power.

However, if it were not for the plum tree, I think there would be still greater differences. The tree is still shaken for your benefit. You have my sincere sympathy in the predicament in which you find yourselves. The northern Democrat must be sympathetic and responsive to what his own constituents demand of him and he will be unable to accept your point of view.

Mr. CRAWFORD. Will the gentleman yield?

Mr. GIFFORD. I yield to the gentleman from Michigan.

Mr. CRAWFORD. The gentleman has mentioned the proposed trade agreement with Great Britain that is being talked so much about. Would the gentleman mind giving us his opinion on the amazing and to me most startling statement issued by Mr. Joseph Kennedy last night?

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. CELLER].

Mr. CELLER. Mr. Chairman, I am very sorry to have to be compelled to listen to our esteemed colleague, the gentleman from Tennessee, in opposition to this bill. In fairness to him I must say he is rather enthusiastically misguided. I usually follow him, and am always happy to do so. I admire his fine work as chairman of our Foreign Affairs Committee. But this bill marks a cleavage in our views.

Mr. Chairman, it is primarily on account of the untoward and sometimes wretched labor conditions that exist in some of our States in the South, and unfortunately in some—thank goodness only a few—of our Northern States, that we are compelled to bring in the instant bill. It is because of the "chiseled" wages paid to the employees and laboring men of those sections of the country that we are compelled to bring into this House a bill of the character we are considering today. I have no desire to be sectional. I deplore arousing sectional feelings. Conditions on both sides of the Mason and Dixon's line cause the instant bill. It is primarily on account of some of the labor conditions that exist in the State of Tennessee and kindred States that the President of the United States came forth with his message and said:

> All but the hopelessly reactionary will agree that to conserve our primary resources of manpower, government must have some control over maximum hours, minimum wages, the evil of child labor, and the exploitation of unorganized labor.

I say beyond peradventure of doubt that any man or woman who opposes the principle enunciated in this bill is, in the language of the President, just a "hopeless reactionary," and I apply that epithet to the gentleman from Tennessee and to anyone else who offers opposition to the bill's underlying tenets. I do not like the bill in its entirety. I disagree with some of its provisions. I shall try to amend the bill. But with its purposes I am in thorough accord.

The President also said:

> But there are a few rudmentary standards of which we may properly ask general and widespread observance. Failure to observe them—

Namely, these rudimentary standards—

> must be regarded as socially and economically oppressive and unwarranted under almost any circumstance.

I ask the gentleman from Tennessee to read again the message of the President. I say that not only is he a hoplessly reactionary, if he opposes this bill's intended purpose, but he is blind to progress. I brand all those not in sympathy with the general purposes of this bill—namely, to lift up labor and blot out exploitation of workingmen as to wages and hours and kill child labor—as illiberal obstructionists.

THE BILL IS NOT PERFECT

The bill has lots of flaws. It could be revised in many ways. It will create dislocation in some industries. It will mean severe jolts in certain sections. It will cause difficulties in some plants. That is unfortunate. You cannot satisfy all factions and all sections. You cannot even attempt to placate all schisms in labor's ranks. I am a believer in the pragmatic theory of the greatest good for the greatest number. This bill, with perfecting amendments, will bring about the greatest good for the greatest number. We do have shocking hours of labor. We have unspeakable conditions. We have wretched payment of wages. There are thousands of employers who must be chastened and taught to recognize the rights of labor. We would indeed be cruel and inhuman if we did not harken to the pleas of labor.

These pleas must be answered. This bill is a fairly decent answer.

THERE ARE PROBABLY ONLY 4,000,000 INVOLVED

Frankly, what is all the shooting for? This bill excludes agricultural workers, domestic workers, those engaged in dairy farming, cotton processors, as well as those in the canning industries; salesmen, both on the inside as well as those working on the outside, are excluded; and all workers involved in seasonal industries are outside of the provisions of the bill. Just 4,000,000 employees, I am informed, come under the jurisdiction of the bill. Frankly, that is hardly a drop in the bucket.

WE SHOULD FOLLOW THE PRESIDENT'S LEAD

The President suggested that Congress set certain rudimentary standards in the manufacture of products of goods that enter into interstate commerce. These standards involve minimum wages, maximum hours, and the elimination of child labor. Those enlightened States that have been fair to labor in this regard have nothing to fear. Those States that have not been fair to labor in this regard do have something to fear. In a word, all the bill does is to take off the edge of exploitation. In States like New York, standards will be far higher than any that could be set by this bill. If the jurisdiction of the labor authorities cannot go beyond 40 cents per hour and cannot go below 40 hours per week, our people in New York have nothing to fear. Wages in New York are usually above 40 cents per hour, and the hours of labor are rarely above 40 per week.

OBJECTIONS VOICED DO NOT HOLD WATER

The first objection voiced against this bill is that we might be making the same mistakes as we did under the N. R. A. But it should be remembered that the labor standards of the N. R. A. were interwoven with fair trade practices. They were included under one roof in the same code. This was a mistake. It resulted in workers bargaining away their interests as consumers and allowing high monopoly prices to be set and a high price structure to become rigid, in return for wage and hour concessions. Under the instant bill, however, there is no such possibility for such bargaining.

The second objection is that the bill paves the way for Government wage fixing, and that the wage structure will thus become frozen. Some labor leaders believe that any Government action with respect to labor is hostile and will interfere with trade-union activity. There are other labor leaders who believe that the Government has a useful function and can help labor in providing the machinery for collective bargaining, guaranteeing civil liberties for labor, and setting minimum standards. Regardless of these conflicting views, I believe that this bill can be of great help to labor. Labor can go hand in hand with Government. The Government will only step in when it is absolutely necessary. Where labor can take care of itself, the Government can and will step aside. Where labor is weak and tottering, labor has no other recourse but to ask the Government to step in and help.

The third objection is that the bill might put marginal firms out of business and therefore the depression will be made greater. I believe an adequate answer to that is that we can never rescue business from a depression by exploiting labor, by cutting wages, and by having a market which labor cannot utilize. On the other hand, by increasing wages and by making the conditions of labor livable and fair, we can bring about an increase of purchasing power and thereby rescue business from the depression.

As regards the fourth objection, that this bill will do away with collective bargaining: The greatest weapon that labor has is collective bargaining. This bill will not interfere with this weapon; it will simply supplement collective bargaining where necessary. In all cases where collective bargaining does not exist, this bill, like the Wagner Labor Relations Act, comes forward to supplement it. In other words, this bill does not take the place of collective bargaining but simply supplements it. No labor board, no labor administrative group can replace or should replace labor unions. More can be secured by labor through collective bargaining than by law. I repeat: collective bargaining is not interfered with by this bill.

CHILD LABOR

Let us consider the child-labor provision of this bill. Let us consider the roster of States which have rejected the child-labor amendment. Very significantly, we find that many of the Members who have appeared or will appear in this rostrum in opposition to the pending bill come from States which have rejected the child-labor amendment. Herewith set forth is a list of the States which have actually rejected the child-labor amendment, together with the method and date of rejection, as well as the date on which notification of rejection was received by the Secretary of State:

State rejections

State	Method and date of rejection	Date received by Secretary of State
Connecticut	Joint resolution of Congress proposing the amendment rejected in Senate and House of Representatives of Connecticut, Feb. 3, 1925, and Feb. 11, 1925, respectively.	Feb. 18, 1925
Delaware	Resolution proposing ratification rejected by House of Representatives and Senate of Delaware, Jan. 28, 1925, and Feb. 2, 1925, respectively.	Feb. 5, 1925
Florida	Resolution of May 14, 1925	Mar. 19, 1926
Georgia	Resolution of Aug. 6, 1924	Dec. 15, 1924
Kansas [1]	Resolution of Jan. 27, 1925 (approved Jan. 30, 1925).	Feb. 2, 1925
Louisiana	Resolution proposing ratification rejected by House of Representatives of Louisiana, June 27, 1924.	Feb. 12, 1925
Maryland	Resolution of rejection approved Mar. 18, 1927.	Mar. 21, 1927
Massachusetts	Proposed amendment rejected by Senate of Massachusetts, Feb. 16, 1925, and House of Representatives adopted resolution rejecting the proposed amendment, Feb. 19, 1925.	Nov. 10, 1933
Missouri	Resolution of Mar. 20, 1925	Mar. 26, 1925
North Carolina	Resolution of Aug. 23, 1924	Nov. 22, 1924
South Carolina	Resolution of Jan. 27, 1925	Feb. 21, 1925
South Dakota	Resolution of ratification rejected Feb. 11, 1937.	Mar. 15, 1937
Tennessee	Resolution of Feb. 4, 1925	Feb. 11, 1925
Texas	Resolution of Jan. 27, 1925, approved Feb. 2, 1925.	Mar. 2, 1925
Vermont	Resolution of Feb. 26, 1925	Feb. 28, 1925
Virginia	Resolution of Jan. 22, 1926	Mar. 3, 1926

[1] A resolution proposing ratification was voted upon by the Kansas Senate Feb. 15, 1937, the deciding vote in favor of the resolution being cast by the Lieutenant Governor (as presiding officer) to break a 20-20 tie. 10 days later the house of representatives passed the resolution. Judicial proceedings were undertaken challenging the vote of the Lieutenant Governor, and pending settlement of this controversy the Secretary of State of the United States has not been notified of ratification. (See the Topeka Daily Capital, Feb. 27, 1937.)

Very likely many of these States, in rejecting the child-labor amendment, wish to continue child labor within their borders. This is, indeed, a dreadful blot on their escutcheon. They certainly cannot come forward under the guise of hackneyed State rights and say, "You cannot come into our borders and say what we shall or shall not do with reference to the foul child labor within our borders." They cannot, and should not, remain impervious to our importunings. Child labor cannot be justified on any grounds.

Mr. LAMBETH. Will the gentleman yield?

Mr. CELLER. I yield to the gentleman from North Carolina.

Mr. LAMBETH. What did the gentleman's own State do with reference to the child-labor amendment?

Mr. CELLER. I will tell you that the people of New York want the child-labor amendment. New York neither rejected or accepted the amendment. One branch of our legislature adopted the amendment; the other branch rejected it. It was adopted by that branch of the legislature controlled by the Democrats and was rejected by that branch controlled by the Republicans. The so-called up-State Republicans have stood in the way of the child-labor amendment, be it said to their shame. We, the Democrats of New York, want the amendment. We, the Democrats of New York, will always stand in the way of child labor. [Applause.]

In addition to New York, the States of Alabama, Mississippi, Nebraska, and Rhode Island have not as yet taken final action on the child-labor amendment. All the other States not heretofore mentioned have ratified the same.

In justice to some of the States that have rejected the amendment I will say the following: New York has an excellent labor law, and in the main these laws prohibit child labor. North Carolina, the State whence comes our distinguished colleague [Mr. LAMBETH], for whom I have a high and affectionate regard, is making impressive strides in its labor laws.

There appeared in the June 9, 1937, issue of the Washington Daily News an interesting article by Thomas L. Stokes, wherein he states that a number of southern legislatures have taken steps recently to improve their State labor statutes, which in many cases have been weakened and riddled with loopholes, and which have been a contributing factor in the southward migration of low-wage industries. He draws attention to impressive improvements in the laws in certain of the Southern States, but, as one reads of these changes, the conclusion is inescapable that the standards are still low and that a Federal statute is imperative.

Mr. WELCH. Mr. Chairman, I yield 10 minutes to the gentleman from New Hampshire [Mr. JENKS].

Mr. JENKS of New Hampshire. Mr. Chairman, before this House there has been no legislation of greater national importance or more humane significance than this wage-and-hour bill. Its provisions, in the main, affect that large group of semiskilled and unskilled workers scattered over the width and breadth of this land, and indirectly affect the interests of every man, woman, and child throughout the entire country. For that reason this legislation deserves and should have the unstinted attention and consideration of every Member of this body.

Let us hastily construct a mental chart of the labor groups in this country. On the basis of the 1930 census—I have been unable to secure any later figures—we had 6,282,687 skilled workers, 7,977,572 semiskilled workers, and 14,008,869 unskilled workers. It is with the latter two groups, minus the farm and other exempted classes of workers, that this bill is concerned. On the basis of the 1930 figures, it could be roughly estimated there are somewhere between twelve and fourteen million semiskilled and unskilled workers. The purpose of this wage and hour legislation is to stabilize employment and raise the general standard of living for this group of workers.

At the outset, I want to say that I most heartily favor the basic principles of this measure—that is, the establishment of a decent minimum wage, the setting of reasonable maximum working hours, and the abolishment of child labor. I believe that the adoption of these principles would be a step in the right direction.

In the course of my lifetime I have stood on both sides of the reservation. In my early years I was a worker, receiving a pay envelope on Saturday nights, after working 10 hours every day, and for many years I was an employer who had to find ways and means to meet a pay roll each week. During my thirty-odd years as an employer of labor not one of my employees ever lost a single day's work on account of strike, lock-out, or any difference with the management. Because of my personal experience as employee and employer, I believe I am in a position to view this issue from both angles, and I have no hesitancy in saying that I am convinced beyond any shadow of doubt that until such time as there is brought about a more equitable distribution of the profits between industry and labor, so as to enable the mass consuming public to absorb on a larger scale the products of industry and agriculture, the necessary balance between supply and demand, which is so vital to national prosperity, cannot be attained. In other words, the purchasing power must be put into the pockets of the rank and file of the consuming public if the products of industry and agriculture are to be absorbed.

I am fully aware that the administration of this act will present certain problems that only time and experience can solve. I concede the administrative imperfections of the measure as it now stands, which, by inference, are recognized in the bill itself in that it makes specific provision that the administrator shall from time to time make recommendations for further legislation in connection with the matters covered by the act. I am even hopeful that through the numerous amendments to be offered and discussed on the floor of the House before final action is taken on the bill that the measure will be further clarified and improved. I very frankly admit that I am somewhat dubious regarding the administration of this act. I opposed from the beginning the establishment of a board to administer this act, because I seriously question the feasibility of creating a huge Federal agency here in Washington vested with practically unlimited power over industry and labor throughout the entire country. In my opinion, the appointment of an administrator to supervise the enforcement of the provisions of the act in conjunction with the State labor divisions, thus localizing and giving each State a voice in the administration of the act, is preferable.

Unlike many issues that come before us, the division of opinion over this legislation appears to be engendered not so much by partisanship as by sectionalism. Strangely enough it is from the sections where the enforcement of this act would do the most to improve the standard of living that the greatest opposition is coming and the greatest doubt exists as to the wisdom of passing it.

Quite naturally it follows that a heterogeneous population such as ours, spread over an area the size of this country, is bound to develop varying standards and conditions that in due time become stabilized, static, and habitually accepted. Because it is easier to settle in a groove and move along in it as best we can, we are not prone to exert ourselves to change until we reach an impasse that literally forces us to bestir ourselves to meet changed conditions and circumstances that can no longer adequately and efficiently fit or move in the old groove.

But, however, that may be and from whatever section we may come, each and every one of us is confronted with a condition that is universal and that must be adjusted—from the border to the Gulf and from the Atlantic to the Pacific—before we can hope to make any further progress and begin to hit on all 12 cylinders again. It has long been a recognized fact that the rapid strides that have been made in mechanical labor-saving devices, plus high-powered scientific management, has brought about a displacement of labor that is one of the root-causes of the backfire in our economic machinery. We all know that there are more workers than there are jobs; that there are not enough jobs to go around—that labor-saving mechanical devices now do the work that formerly kept many hands occupied, with the result that many hands are now idle.

What is the remedy? Shorter hours, which will mean the employment of more workers, thus dividing up the existing or available jobs and spreading employment. The curtailment of working hours to 40 hours a week, as provided in this bill, makes a step in the right direction.

It is my understanding that the first 30-hour week bill was introduced sometime about 1930, so that this question of shortening work hours with a view to spreading employment has been before the Congress for some 7 years. In that time the unemployment situation has not automatically remedied itself, nor will it. Something must be done to adjust it. We may defer action again, but the issue will not down. Sooner or later we must face and solve this unemployment problem that is draining not only the financial resources of the Treasury but sapping the morale of a people able and willing to work but for whom not enough work exists.

Let us pass this bill in the hope of destroying sweatshop labor and banishing it at least from interstate commerce, curbing the power of the chiseler over the honest employer, and benefiting children by giving them a chance to have a normal childhood in which to properly grow and develop. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from California [Mr. FORD].

Mr. FORD of California. Mr. Chairman, may I say, first, I am in full accord with the objectives of this bill and expect to support the committee throughout in its attempt to get the bill through.

Secondly, in answer to some of the arguments which have been made against this measure, I believe any industry, big or little, which cannot pay or will not pay a living wage, has no right to exist in this country. [Applause.]

Being in accord with the bill's primary objectives, I want to state my belief that this bill, whether you call it the Black-Connery bill, the fair labor standards bill, or the wage and hour bill, seeks to afford relief to that great group of inarticulate, because unorganized, workers, numbering between twelve and fifteen millions in all.

The members of this group are confined to no one section of the Nation and for that reason it seems unfair to me to have advocates of this measure charged with sectional prejudice.

The measure should enlist the support of every member of this House because it attempts to mitigate, if not to completely eliminate, child labor in certain classes of industry.

The bill seeks to restrict the operations of the sweatshop and the chiseler, whose operations are identical in producing shocking social and economic conditions.

The shorter workweek will, I believe, provide more jobs. The minimum wage will provide a broader market for the products of the mill, the mine, and the farm by increasing and spreading purchasing power. I am sure no member of this House will quarrel with these objections.

It is to be noted that almost every man who has risen in opposition to this bill has at some stage of his remarks professed his approval of the bill's broad objectives, provided, however, that it be amended in this or that particular. In other words, practically all admit the excellence of its purposes, but object to the methods employed to attain the end sought.

I for one am willing to credit the Labor Committee with attempting to do an honest job. It is a big job in a new field. Let's give the bill a chance. If experience proves that the bill is weak in spots, these weaknesses can later be cured by amendment.

This bill is, I honestly believe, a step in the right direction. As such it is entitled to the support of every Member who believes that an honest day's work is entitled to at least a fair days' pay.

Mr. Chairman, I yield back the balance of my time.

Mr. WELCH. Mr. Chairman, I yield 10 minutes to the gentleman from Wisconsin [Mr. BOILEAU].

Mr. BOILEAU. Mr. Chairman, a good deal has been said during the general debate on this bill with reference to the parentage of this particular proposal. I do not believe anyone need be ashamed of its parentage. As far as I am concerned, the principle involved in this measure has parentage of which each and everyone of us should well be proud. I know organized labor in this country has for several years been sponsoring legislation designed to reduce the hours of labor in industry and fix a minimum wage for those employed in industry. Organized labor time after time in its national conventions has endorsed the so-called 30-hour-week bill. This is the principle involved in the pending bill. Although there have been various amendments offered, and although the committee has accepted certain amendments, nevertheless, the fundamental principle of reducing the hours of labor in industry and fixing a minimum wage for employees in industry has been sponsored by the American Federation of Labor for many, many years, and in recent years it has had the support of the C. I. O.

As far as the particular sponsorship of this bill is concerned, may I say that in my judgment the man who sponsored this measure in this body will go down in history as one of the greatest friends of the workingman and as one of the clearest thinkers in this country. He was a man with vision, a man with a heart, a man whose devotion to his country was second to none in his day and generation—the distinguished former Member of this body, the late William P. Connery, of Massachusetts. [Applause.] This is sponsorship of a high type for this bill. He fought for this bill year after year, yes, years ago, before the N. R. A. was even thought of. Many of us have had the great honor and the great privilege of working on with him in the ranks, supporting him year after year, working for this legislation, until today we have this proposal before us for consideration.

I am not in entire accord with some of the provisions of the committee bill. I am in accord with its principal objectives. There is one proposal, however, that has been offered which in my judgment comes nearer to attaining the desired objectives than any other. This is the proposal contained in the bill introduced by the gentleman from California [Mr. DOCKWEILER], which is in many respects similar to the original Connery bill, and which I understand has the support of the American Federation of Labor. I believe in that proposal, because it actually fixes maximum hours of labor and minimum wages in industry. The so-called Dockweiler bill, as I understand, will be offered as a substitute, and undoubtedly will be offered after we read the first section of the pending bill. I hope the Members of this body will give serious consideration to the proposal.

There has been considerable criticism of the committee's proposal on the ground that of necessity a board will be established or an administrator provided for, which board or administrator will have certain powers to fix wage differentials. Members who are opposed to this bill and to all legislation along this line have criticized the committee's proposal because it provides for appointment of an administrator. The distinguished gentleman from Tennessee criticized it because he did not want the Secretary of Labor, or an administrator appointed to work under the Secretary of Labor, to have authority to fix such wage differentials. If you from the sections of the country from which most of the opposition comes do not want this kind of a board or administrative agency established to fix differentials, I assure you I do not want it, and, for one, I shall vote for the so-called American Federation of Labor bill, which does not provide for wage differentials.

Mr. MOTT. Mr. Chairman, will the gentleman yield for a short question?

Mr. BOILEAU. Yes; I yield to the gentleman from Oregon.

Mr. MOTT. Has the gentleman any idea the Dockweiler amendment will be held to be germane?

Mr. BOILEAU. I have no doubt in my own mind it will be held to be germane.

Mr. MOTT. I hope the gentleman is right, but I do not think it will be so held.

Mr. BOILEAU. I cannot conceive of a ruling being made in this instance to the effect that the Dockweiler bill is not germane.

The Dockweiler bill fixes the maximum number of hours at 40 per week, 8 hours per day, at a minimum wage of 40 cents an hour throughout the entire country, with certain exceptions, particularly of agriculture. The bill therefore provides for a uniform minimum wage for American workers of $16 a week. I submit that wages, whether in the North, the South, the East, or the West, if we are to be proud of the American standard of living, should not be less than $16 a week to provide for a decent standard of living. I cannot conceive of any man, living in any section of the

ccuntry, being able to support a family in decency on the so-called American standard of living at a weekly wage of less than $16.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. BOILEAU. I yield to the gentleman from New York.

Mr. FISH. I should like to know from the gentleman, who is in touch with the American Federation of Labor, if the proposal to which he refers has the unanimous recommendation of the American Federation of Labor?

Mr. BOILEAU. I do not know, but I assure the gentleman that it is entitled to such endorsement. For several years I have been doing my little bit to promote the proposals contained in the Dockweiler or the so-called American Federation of Labor bill. These principles appeal to me.

I have been advocating these principles for many years and whether this proposed measure has the endorsement of a small or a large group within the American Federation of Labor or any other organization, is not the only question involved. I believe these principles are right. These principles are what I have been advocating, and so far as my own vote is concerned, I shall vote to substitute that bill for the committee proposal. I submit to the Members of the House that if any group of laborers or any organization purporting to represent American labor opposes this bill, they are inconsistent, because this bill is drawn upon principles that their organization has gone on record in favor of, upon numerous occasions.

When the American people talk about minimum wages and maximum hours of employment, they really mean a bill that fixes a minimum wage, and I do not believe anyone can seriously argue that $16 a week is too high a minimum wage for any section of the country, or for any worker, if he is to maintain his family in health and in decency. [Applause.]

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. TABER].

Mr. TABER. Mr. Chairman, in considering this type of legislation we should have in mind a general principle that is of the utmost importance to my mind, and that is that advances in standards of living have come as a result of a speeding up of the wheels of industry and a demand for goods. No substantial advance in wages or in living conditions can be accomplished by legislation passed to create such advances unless you have at the same time an absolute speeding up of the processes of industry.

Now, what has happened? We are considering a bill designed to turn over to an administrator in the Department of Labor the right to fix minimum wages and maximum hours. This is one of the things that is acting at the present time as a deterrent against the employment of our people. Its passage will destroy any opportunity for the employment of our people. Its advocates say that it is up to industry to provide the employment. How can industry provide such employment when industry, the greatest employers of labor, consisting of small industries absolutely dependent upon the banking credit of this country, and under the rulings of F. D. I. C. and the Comptroller General these banks have been obliged to deny credit time after time to these small institutions throughout the country, and this bill creates a situation where our Government authorities will more and more close down these plants as a result of the passage of this kind of legislation.

Mr. KITCHENS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I must decline to yield, as I have not the time.

This bill has other vicious features and those of you who are pretending to be interested in labor must get its meaning through your heads.

Mr. PHILLIPS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I must decline to yield.

It provides a measure whereby an officer of the Government fixes wages and begins a process which will grow until it covers the entire labor field, including every operation in it. You are starting a process which can do nothing but destroy the freedom of labor and its right to bargain. Do not fool yourselves on this. There is absolutely and positively no escape from such a conclusion. You are paving the way for the absolute enslavement of labor by the fixing of the wages of labor from the top of the Government, and under such a situation no such thing as freedom of labor or its right to bargain or the operation of private industry is possible. You are starting reactionary, destructive processes in the direction of the destruction of our liberties.

Let us defeat this legislation and preserve the rights of the American workingman. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. HEALEY].

Mr. HEALEY. Mr. Chairman, I ask unanimous consent to extend my remarks in the RECORD by including certain charts from the Department of Labor.

The CHAIRMAN. The Chair feels that the rule laid down by the late Speaker Byrns with reference to the inclusion of extraneous matter in the CONGRESSIONAL RECORD should be adhered to, and suggests to the gentleman that he seek that privilege when we get into the House.

Mr. HEALEY. Mr. Chairman, we are at the present time considering this bill, termed "the wage and hour bill," by reason of an extraordinary action that was forced upon the House of Representatives, in the discharge of the Rules Committee so that we might have the opportunity to debate and consider this most vital question. Two hundred and eighteen Members of this House were required to sign a petition because a select committee, a sort of iron ring of irreconcilables, usurped unto themselves power and jurisdiction inconsistent with the long-established traditions of this House, and thereby kept this question away from the House during the last session of the House and up to the present time. Let us not be deceived. I am satisfied that no bill dealing with hours and wages would have come before the House at all through that channel unless that extraordinary action was taken. This arbitrary and arrogant attitude was not confined only to the Democratic members who belong to that committee.

Mr. COX. Mr. Chairman, will the gentleman yield?

Mr. HEALEY. I cannot yield; I have only a very short time. We now have before us a measure considered important enough to be placed on the agenda of those things that were expected by the President of the United States to be enacted by the Congress during this special and extraordinary session. This bill has been greatly misrepresented. Opponents have tried to accomplish its death by flooding the country from one end to the other with misleading propaganda. This is not a bill to regiment labor or industry. This bill merely proposes to take out of the field of interstate commerce those concerns which refuse to pay subsistence wages to their workers and employ them excessively long hours.

The maintenance of numerous low-wage areas in our country has caused economic dislocations in other established industrial sections, which continue to imperil the standards of decently paid workers throughout the Nation. Moreover, the maintenance of low-wage areas has conferred little benefit upon the persons who reside in those areas, because they cannot possibly subsist as decent American citizens, nor can they furnish to their families the bare necessaries of life on the scale of wages that is being paid to them. Meanwhile the natural resources of these areas are being exhausted by such exploitation.

What does the bill do? The administrative agency which is finally set up to administer this act may only fix as the ultimate wage 40 cents an hour. Forty cents an hour, with 40 hours a week, 50 weeks in the year, will yield the sum of $800. A survey conducted by the Department of Labor within the last year and one conducted by the Works Progress Administration in the last year established beyond peradventure that a family composed of a man and his wife with even only one child cannot hope to exist on the most

frugal scale on $800 a year. Yet that is all the authority we are asked to confer on the administrative agency by the terms of the bill, and even that is only a maximum. Yet some members denounce so moderate a reform as this.

The gentleman from New York [Mr. TABER], who just preceded me, talked about this measure, starting the ball rolling for the regulation of all industry and wages. In his State for some years now forward-looking people, represented by a progressive legislature, have established a minimum-wage law relating to the employment of women and children in industry.

That particular Minimum Wage Act is considered one of the model minimum wage acts of the country, and many minimum wage acts—there are 26 of them in 26 different States—had been patterned after the New York one. The people of his State knew that women and children were being exploited and realized that the exploitation of those women and children in industry was detrimental to their morals, health, and efficiency. Who is there that will deny that the enactment of the New York law was a humane act on the part of that legislature and of the legislatures of every State that enacted similar measures. We have now been brought to a realization that not only women and children are being exploited in industry, but that men are also the victims of unfair labor practices which, if permitted to continue, will destroy the stability of our economic system.

My own State of Massachusetts, a State long preeminent in the manufacture of shoes and textiles, known throughout the world because of the efficiency of its workers and the quality of its products, has seen its commanding position swept away by the corrosive competition of sweated industries. Between the years 1923 and 1933 the textile industry in New England lost nearly 120,000 jobs. One hundred and twenty thousand jobs were taken out of that prosperous industrial region because of the establishment of low wages elsewhere, leaving thousands of families to their own resources or the resources of overburdened local public-welfare departments.

During the 10-year period between 1923 and 1933 Massachusetts, the largest industrial State in this section, saw its annual pay roll in manufacturing industries decrease from $799,363,111 to $354,523,624. In other words, according to these figures of the United States Bureau of the Census, more than $400,000,000 in annual wages in factory pay rolls was lost by Massachusetts wage earners in this 10-year period, an average drop of $40,000,000 each year. During this same period the average number of wage earners fell off from 667,443 to 398,592. The decline was most pronounced in the cotton-goods industry where pay rolls fell off from $115,080,841 in 1923 to $31,110,036 in 1933. In this same period, woolens slumped from $76,189,812 in yearly wages to $33,072,129; boots and shoes from $82,916,416 to $36,559,127.

These figures regarding Massachusetts are typical of what has also been going on in New Hampshire, Rhode Island, and other industrial New England States. During this period the New England Council and various New England manufacturing associations were organized to stem this exodus of industry. State legislatures tried to solve the problem by interstate compacts. Yet the relentless decline of New England's industrial preeminence continued.

In my opinion the failure of these methods points only to one conclusion. Labor costs in the competing interstate industries through the United States must be made uniform. The only way this can be done is through Federal legislation. The wage and hour bill is a noteworthy start in this direction, and its speedy enactment may ultimately prove the solution of the national problem of industrial insecurity.

That I have not been exaggerating this industrial picture is vividly illustrated by the table which I am inserting in the RECORD at this point illustrating the number of wage earners by States employed in the New England cotton-textile industry for the census years 1923–35, inclusive.

	Wage earners	Wages	Value of product
1923:			
Maine	13,828	$13,975,870	
New Hampshire	18,804	17,486,894	
Massachusetts	116,773	118,044,894	
Connecticut	18,780	19,264,901	
Rhode Island	39,484	42,393,180	
1925:			
Maine	11,851	10,517,727	
New Hampshire	14,987	13,865,229	
Massachusetts	98,939	94,394,091	
Connecticut	14,773	15,189,558	
Rhode Island	34,420	34,686,196	
1927:			
Maine	10,195	9,781,130	
New Hampshire	14,974	15,383,216	
Massachusetts	93,413	90,574,225	
Connecticut	15,831	16,639,492	
Rhode Island	31,240	32,665,044	
1929:			
Maine	9,862	8,576,229	
New Hampshire	13,769	12,418,241	
Massachusetts	70,788	65,556,859	
Connecticut	10,789	10,723,851	
Rhode Island	21,833	21,778,173	
1931:			
Maine	9,220	7,414,788	
New Hampshire	10,663	9,253,400	
Massachusetts	46,990	38,868,889	
Connecticut	10,165	8,768,767	
Rhode Island	13,089	12,175,630	
1933:			
Maine	11,446	7,770,529	
New Hampshire	10,988	7,102,649	
Massachusetts	45,418	31,110,036	
Connecticut	9,667	7,023,626	
Rhode Island	13,077	9,455,523	
1935:			
New Hampshire	8,039	6,085,108	
Massachusetts	39,267	29,488,118	
Connecticut	9,582	7,501,434	
Total for New England:			
1923	208,685	212,246,030	$775,209,092
1933	91,566	63,182,658	210,042,964
1935	75,024	57,345,057	201,221,125

I have said that the principal inducement for the exodus of this industry was the existence of major disparities of wages between New England and South Atlantic States. I now draw your attention to a chart published by the Bureau of Labor Statistics showing differentials ranging from 20 to 65 percent in each trade or occupation in the textile industry.

TABLE 1.—*Average hourly earnings in cotton-goods manufacturing in New England and South Atlantic States, 1924–34, by occupations*

Occupation	New England							
	1924	1926	1928	1930	1932	July 1933	August 1933	August 1934
Males	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
Loom fixers	69.1	62.4	60.0	58.5	49.6	46.3	63.1	64.9
Slasher tenders	64.7	53.9	51.2	49.7	43.1	(1)	(1)	(1)
Warp-tying machine tenders	58.5	53.0	49.8	49.0	40.1	35.0	48.0	50.1
Card grinders	56.9	50.7	49.4	47.8	38.5	34.2	48.3	50.4
Weavers	53.8	46.7	44.7	46.2	35.3	29.9	43.9	44.2
Slubber tenders	55.5	49.8	46.8	46.6	37.5	30.8	46.6	49.1
Speeder tenders	51.4	46.5	44.5	45.2	35.0	29.6	43.6	45.5
Card tenders	46.5	41.6	40.5	40.2	32.8	28.8	40.7	41.7
Doffers	45.3	39.9	39.3	38.6	31.8	27.0	41.7	43.8
Picker tenders	43.6	38.4	37.2	36.2	30.4	28.6	40.6	41.0
Drawing-frame tenders	39.6	35.5	35.1	35.1	29.3	25.9	38.3	39.2
Females								
Weavers	48.6	42.8	41.8	42.6	33.1	28.0	42.6	43.5
Drawers-in, hand	44.5	42.3	40.3	40.6	32.0	33.6	43.6	43.1
Speeder tenders	44.2	39.5	38.0	36.3	32.1	24.9	49.8	40.4
Warpers	44.3	40.4	37.7	36.0	29.8	28.4	39.2	40.0
Spinners, frame	42.5	37.0	35.9	34.9	27.7	23.6	37.3	37.8
Drawing-frame tenders	35.1	31.7	31.3	32.4	25.6	24.0	35.6	35.4
Creelers	32.9	29.1	28.6	29.0	24.9	24.6	33.6	34.6
Spooler tenders	39.0	31.8	30.7	29.2	25.2	22.3	36.4	38.0
Trimmers or inspectors	31.9	27.9	27.0	27.9	22.3	21.4	33.3	33.5
	South Atlantic and Alabama							
Males								
Loom fixers	41.6	39.5	39.9	42.0	35.5	32.3	49.8	50.7
Slasher tenders	33.4	31.7	32.3	32.4	27.9	(1)	(1)	(1)
Warp-tying machine tenders	37.5	36.1	35.9	37.1	31.0	24.9	42.4	43.4
Card grinders	37.8	35.4	35.8	36.2	31.4	27.1	44.2	44.4
Weavers	35.9	33.2	34.1	34.9	28.9	23.8	39.6	40.3

[1] Included under "Weavers."

TABLE 1.—*Average hourly earnings in cotton-goods manufacturing in New England and South Atlantic States, 1924–34, by occupations*—Continued

Occupation	South Atlantic and Alabama							
	1924	1926	1928	1930	1932	July 1933	August 1933	August 1934
Males—Continued	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
Slubber tenders	33.1	31.2	31.7	32.1	26.4	21.1	37.2	37.4
Speeder tenders	33.9	31.3	31.7	32.0	26.0	21.5	36.5	36.7
Card tenders	26.8	25.3	26.0	26.4	21.8	19.1	32.4	32.5
Doffers	28.4	27.4	28.0	28.7	23.5	19.6	34.5	35.0
Picker tenders	24.4	24.4	23.2	23.9	20.5	17.1	30.9	31.3
Drawing-frame tenders	26.8	25.8	26.2	26.1	21.5	19.2	32.7	33.7
Females								
Weavers	31.3	29.8	30.8	31.9	27.3	21.5	38.6	38.4
Drawers-in, hand	28.1	27.7	29.7	29.8	24.0	23.0	38.3	39.4
Speeder tenders	29.6	27.5	28.5	28.3	24.2	19.6	34.5	35.3
Warpers	29.8	27.3	27.1	28.6	22.9	19.4	29.0	33.3
Spinners, frame	23.4	22.2	22.8	22.5	18.5	16.2	32.2	32.0
Drawing frame tenders	20.2	19.8	20.4	21.3	17.4	15.4	31.2	30.8

TABLE 1.—*Average hourly earnings in cotton-goods manufacturing in New England and South Atlantic States, 1924–34, by occupations*—Continued

Occupation	South Atlantic and Alabama							
	1924	1926	1928	1930	1932	July 1933	August 1933	August 1934
Females—Continued	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*	*Cents*
Creelers	23.0	22.7	22.1	23.3	19.2	15.8	31.6	31.0
Spooler tenders	22.1	20.6	20.9	22.7	18.8	16.1	32.7	33.3
Trimmers or inspectors	20.3	20.2	20.8	20.9	18.2	15.9	31.0	31.0

In 1919 Massachusetts manufactured some 40 percent of all of the shoes made in the country. By 1935 that had been reduced to 21 percent, and in every instance, as I shall offer evidence to show by a chart from the Department of Labor analyzing the Bureau of Census figures that the diminution was caused by low-wage areas elsewhere.

Number of wage earners and average annual earnings in selected States of the boot and shoe industry, 1919, 1929, 1935

[Source: U. S. Census of Manufactures]

State	Average number of wage earners			Percent of total wage earners in the industry			Average annual earnings		
	1919	1929	1935	1919	1929	1935	1919	1929	1935
Massachusetts	80,166	55,093	43,958	38.0	26.8	21.8	$1,116	$1,165	$874
Missouri	17,458	24,903	24,366	8.3	12.1	12.1	790	934	784
New Hampshire	12,336	14,544	15,035	5.8	7.1	7.4	906	1,027	874
Maine	9,919	9,967	14,147	4.7	4.8	7.0	930	932	786
Other States	91,170	101,133	104,607	43.2	49.2	51.7	966	1,096	857
Total industry	211,049	205,640	202,113	100.0	100.0	100.0	999	1,087	853

It must be remembered that in the thickly populated cities and towns of New England, industrial pay rolls are the lifeblood of the people. The whole economy of this region has for generations depended upon manufactures.

I cite these facts, not to raise any sectional issue or with a desire to foster legislation discriminating against other portions of the country, but to show that migrating industry causes a blight upon the economic life of our whole Nation. The wage tables I have mentioned show conclusively that these runaway industries do not bring prosperity into the communities to which they escape. They simply impose upon those communities the poverty and wretched standard of living which are the usual incidents of substandard wages and sweatshop conditions. In other words, these industries lower purchasing power in one region without conferring any compensatory benefit in other areas to balance this loss.

I think all of us realize today that only by the establishment of high purchasing power among the workers can we banish the threat of overproduction which continually overhangs American industry. We cannot permit the standard of American living to be continually undermined by antisocial employers.

We now have a golden opportunity to eliminate some of the practices which are drying up the wells of interstate commerce. Most of us are in full accord with the objectives and philosophy of the legislation now before us. There are, however, serious differences of opinion with regard to the machinery which the Government should establish to achieve them. We should, however, cause sad disappointment to the people who put their faith in us if we permitted this opportunity to slip in a protracted dispute over technical differences and fail to accomplish one of the primary purposes for which we convened in special session. [Applause.]

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. WELCH. Mr. Chairman, I yield 10 minutes to the gentleman from New York [Mr. SNELL].

Mr. SNELL. Mr. Chairman, I cannot let the opportunity go by to express my views on such an important matter as we have before us at the present time. It seems to me there is a very grave responsibility resting upon the Members of this House to give most considerate attention to a piece of legislation that so vitally affects the economic conditions of this country, and especially the future economic conditions.

In the first place, before passing a regulatory measure of this kind it seems to me we should take into consideration the conditions existing throughout the country as far as business and employment of labor are concerned. If there is one thing that practically all of our people are agreed upon in every part of the country, it is that there should be less regulation of business, and that we should remove some of the burden, rather than adding more restringent legislation. That being the condition, and the fact that today we are in the midst of a real serious depression, I cannot see how anyone can justify the passing of any more legislation that places more restrictions on business and makes it still harder for industry to put men back at work.

Mr. BARRY. Will the gentleman yield?

Mr. SNELL. I do not yield at the present time..

Perhaps you can pass legislation raising wages, but you cannot force people to hire them. Today there are more people in the United States who are wishing they could find a job, regardless of what the wages are or the length of the hours, than there are men seeking jobs at 40 cents an hour and 40 hours per week. Now, that is a serious proposition. There may be a time when it would be all right to pass legislation increasing the wages of the country, but with the economic condition as it is today, it is certainly not the proper time.

Right along that line, as proof of this, let me read a short statement from the Standard Statistics of the present issue:

> As we have pointed out previously, the standard index of industrial production will probably reach this month the level of 30 percent under a year ago. With steel production now fluctuating between 25 and 30 percent of its full capacity, the automobile output nearly 50 percent lower than December last year, textile and shoe operations off 30 to 35 percent from a year ago, and most other lines declining equally fast—

With that definite statement staring you in the face, is it a good proposition for the American Congress to place more

restrictions on business and make it harder to employ labor? That is a serious question that I want to call to your attention at this time. Fundamentally, and back of all this confusion about the bill, is the undisputed fact that intelligent leadership of union labor knows that however desirable it may be to have legislation of this character, this is not the proper time to press it. As far as I am concerned, I want all labor to have its share of the profits of industry, and to be justly and honestly treated by every industry in every part of the country.

Now, there has been a rather anomolous position in connection with this legislation. Some of the people have been telling the manufacturers of the North, "If we can force a wage and hour bill on the South, it is going to restore you to your previous position in the industrial world." Another group of people are telling the industrialists down South, "If we pass a bill of this kind, we will put a differential in that will take care of you."

As a matter of fact, they are fooling both of them. If there is any industrialist in New England or the northern part of this country who thinks they can force southern industrialists to pay the less efficient, colored laborer of the South 40 cents an hour, you are just as much mistaken as you can be, and you ought to know it. There is no more chance of enforcing regulations of this kind on the industrial South than there is of enforcing the fourteenth and fifteenth amendments. That is a fact, and every man who stops and thinks, knows you could not enforce such a measure any more than we could enforce prohibition.

There is a friend of mine, who is a Republican, who lives down South. I do not know how he can still hold to the faith and live where he does, but he has so far. He says:

> We are not very much disturbed about the wage matter, because we know how to take care of that; but there is another situation in regard to the moral aspect of this bill that we do not like.

As a matter of fact, we have been running around in circles for the last 4 years, and here is another definite example of that. We were called into special session to pass, among other bills, a bill to raise the prices of the products of the farm, so that the farmer could get nearer a parity price for his production. Having passed that bill, now this one is presented that will again raise the price of everything he buys, so he will not receive any benefit. Before that bill was out of the way the President sent in another recommendation, that in order to encourage construction and to set loose from twelve to fifteen billion dollars of private capital into that outlet we must reduce the cost of materials and the cost of labor. Before you have started to consider that recommendation you have another recommendation of the President, which, if it has any object whatever in this world, is to increase the cost of materials and the cost of labor and directly opposed to his message of the week before. How can anyone be expected to follow such a vacilating policy? In other words, the President's policy is just like a merry-go-round. You keep going round and round and get off just where you started, and the only thing different is that you have lost your fare and somebody has picked your pocket while you have been going around. [Laughter and applause.]

No one claims sponsorship for this bill, and it is opposed by the farm organizations, business, and even labor itself as represented by William Green, president of the American Federation of Labor.

I want to call the attention of the House to what Mr. William Green says about this bill. I think he is about as high an authority and is about as stable an authority as we have on matters pertaining to labor.

Mr. Green charges in connection with the amended bill:

> The amended bill would set up a labor czar with the life and death powers over industrial organizations, communities, labor unions, and collective bargaining.

In a letter to Mrs. NORTON, chairman of the Committee on Labor, Mr. Green wrote:

> If the Board such as proposed in the original bill was dangerous and unacceptable, certainly the Administrator provision in the present bill is even more dangerous and unacceptable.

I entirely agree with him in opposing legislation setting up a czar over the economic conditions of this country, a man who can say what labor conditions shall be, what shall be the wages and hours in any industry in any part of the country. This is going further than we have ever gone before even under the New Deal in giving power to one individual man. Furthermore, that man will be an appointee of the administration in power. If this is not one of the greatest political advantages that was ever given any administration at any time I want somebody to tell me what is.

Another consideration I want to bring to the attention of the House and another appeal I want to make to the Members, especially my Republican friends, is based on the fact that if there is one thing on which the extreme radical, the liberal, the conservative, the reactionary have always agreed, it is an opposition to increasing autocratic, bureaucratic control here in Washington. This is one thing upon which we have not only been in agreement, but also a great many of the Members on the other side of the aisle have said in their speeches that they were opposed to this kind of movement. This bill goes further in this direction than any one piece of legislation that I remember that has come before this House in recent years. If you meant what you said to your people back home, that you were opposed to increasing this bureaucratic control here in Washington, that you were opposed to concentrating all the powers possible here, but that you were in favor of leaving something to the States and to the communities back home, you will vote against this piece of legislation. Above all, to me it is untimely. It certainly is against some of the recent recommendations of your own President; and I trust that you will not allow the people to say as the New York Times editorial said yesterday—and I would refer to it further but it has already been placed in the RECORD today—that they are disappointed in the irresponsible leadership of the Democratic side of this House evidenced in the presenting and passing of this bill at this time. I trust that you will not do anything more to give the impression to the country that you do not think and act for yourselves, but that you are a rubber stamp for the President. The only sensible thing for the true friends of labor to do now is to vote to send this bill back to the committee for further study and consideration. By so doing you will give some encouragement to business, and every man here knows business must be encouraged if we are going to put the unemployed back to work. [Applause.]

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield 5 minutes to the gentleman from North Carolina [Mr. BARDEN].

Mr. BARDEN. Mr. Chairman, I do not intend to discuss the whole bill at this time. In this respect, however, I am somewhat in line with many who have preceded me. [Laughter.]

It is my desire to discuss for just a few minutes one of the amendments which I propose to offer; and may I say right here in this connection that any act affecting as large a percentage of the American people as this act necessarily will must be based upon justice, reason, and practical common sense. In his message to Congress on November 15 the President said:

> We should provide flexible machinery which will enable industry throughout the country to adjust itself progressively to better labor conditions.

Following that lead, I prepared this amendment:

> In case of an order declaring the existence of substandard wages, said order shall not require the increase in wages to be in excess of 1 cent per hour each 30 days, beginning from the effective date of said order and continuing until the standard wage prescribed in said order is reached.

Everyone, be he Democrat, Republican, Socialist, or a member of any other party, is bound to admit that prices are on a downward grade, regrettable as this may be. Should we permit or force the cost of production of any commodity to go beyond and exceed the consumer or buying market, there is only one of two things for the producer to do—either shut down and wait a rise in the market price or continue to produce at a loss. If he shuts down, unemployment

results; if he continues to produce, then his problems increase. Small concerns which carry on a majority of the business of this country but which have not accumulated surpluses or reserves are forced to borrow from the banks, and the minute a bank sees that a concern's production cost is exceeding the buying market price they call in their loans to that concern. This, of course, results in closing down business and increased unemployment. This, in my opinion, can be prevented by a gradual approach. I would certainly like to see the very delicate problem of unemployment given proper consideration and dealt with in such way that those whom we attempt to befriend will not be thrown out of employment completely.

Living costs are up, wages paid labor should go up; but it is no simple problem to solve, for it has taken us approximately 150 years to get into the condition we now find ourselves, and we cannot hope to get out of it in 30 days.

Much has been said of a mythical sectional feeling about this matter. This does not appeal to me, and I say in no uncertain terms that I will not be a party to any punitive legislation directed at any section of the United States. [Applause.]

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield 2 additional minutes to the gentleman from North Carolina.

Mr. BARDEN. Should I discover such a desire on the part of the proponents of this bill, or any other bill, or that attitude reflected in its terms, you will find me in the ranks of the opposition; and though we may be in the minority, I propose to stand by my people and go down with them, if necessary. [Applause.] I think we could well afford to leave all this aside, for there is enough in the merits and demerits of this bill to occupy our time without going back to 1865 and starting that over again. I wish we could forget that and spend our time in working out reasonable provisions such as the one I propose to offer.

Remember, the South affords a great market for the rest of the country. Thirty-four percent of the population reside there, and 31 percent of the area of the United States is encompassed in the South. Let me call your attention further to the fact that from 1930 to 1935 the population of this country increased by 4,746,000; 2,750,000 of these people were born in the South. So we are providing a future market. One of our big troubles at this time is the selling price on supplies we buy is fixed mostly in New York, and at the same time they fix the price they propose to pay for our products. Let us then forget sectional feeling and see if we cannot tackle this problem and correct the condition under which a man spills his honest sweat for 8 or 10 hours a day only to go home with not enough to feed his family. This is the real problem and by no means confined to any one section. All of us are in favor of the principle involved; all of us favor the results that the authors of this bill seek to bring about, the differences being over the method of treating the problem.

I hope, however, that the amendment I have suggested will be adopted, for it will enable the country to go ahead and industry to approach an increased wage gradually. One cent per hour per month is about as rapid as the small industry can stand it. When you choke them and shut them down, as the gentleman from California said, what have you on your hands? Unemployment. Certain natural and unnatural barriers exist which must be removed before the leveling process will work. A fair example of this is discriminatory freight rates.

Mr. Chairman, I almost shuddered a minute ago when I heard the gentleman from New York [Mr. CELLER] read North Carolina on the dishonorable roll. Just in this connection, I pray God that the gentleman's career at the end of his life may compare at least favorably to the glowing record of North Carolina. I wish he knew more about North Carolina. We have traveled a long way. Only a generation ago we had to start all over again. Help us with our problems. We are not antagonistic toward any section. You cannot hurt us without hurting yourselves. We call for a cooperative attitude rather than one prompted by cynical criticism or an ugly feeling. [Applause.]

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from New York [Mr. CULKIN].

Mr. CULKIN. Mr. Chairman, I am in general sympathy with the purposes of this bill; however, I desire to call the attention of the House to the fact that you are now pioneering what is more or less virgin legislative soil. It is true that to some of the sweated industries State laws have been applied but nowhere in any law has it ever been suggested that the processes of agriculture were subject to this type of legislation.

The farmer is a seasonal worker. His job is subject to the changes in season and to changes in weather. He works longer hours during some seasons than he does in others. To write into this bill, even remotely, any qualification on that process is doing violence to our whole economic structure. This bill purports to exempt agriculture, but it does not exempt it in fact. The dairy group was exempted by the Senate.

Then the bill came to the House and the House committee took it out. Then this committee put it back. I am advised now that the House committee will offer an amendment on the floor putting it out again. This is at the capricious and extraordinary demands of certain urban groups.

May I say that the cow cannot be regulated by any law you may pass here. She gives down her milk at 6 o'clock in the morning. You can pass laws until hell freezes over and you cannot change that. Again, in the afternoon, more than 8 hours later, she goes through another donation process to the cause of man. You cannot change that. That milk has to be taken to market. It is a perishable product and has to be handled quickly in order to escape an increased bacteriological count. So I say, for God's sake, Mr. Chairman, do not attempt to invade the God-given province of the cow by this legislation. I am sure this kindly committee is in sympathy with the cow and her duly ordained processes. They must know that she is the foster mother of the human races. Leave the cow alone and allow the amendment to remain that the Senate adopted and the House threw out and then put in again. When the amendment is offered by the gentleman from New York [Mr. CURLEY] to strike out this section, just see that it is relegated to the realm of dead suggestions.

The gentleman from Nebraska [Mr. MCLAUGHLIN] has a rather more sweeping amendment on this proposition. He would include not only producer-owned cooperatives within the scope of the bill but would include privately owned creameries. I am in sympathy with that. The gentleman from Iowa has a still more inclusive amendment covering agriculture. I am in sympathy with that.

Do not permit yourselves to believe or to be inveigled into the belief by the demands of unthinking, autocratic, and stupid minorities that you can change or regiment Nature's processes. Write a sane bill—a bill that has a basis in sound national philosophy and economics—and in so doing let the cow function as God intended. [Applause.]

[Here the gavel fell.]

Mr. RUTHERFORD. Mr. Chairman, I ask unanimous consent to extend my own remarks in the RECORD at this point.

The CHAIRMAN (Mr. O'CONNOR of Montana). Is there objection to the request of the gentleman from Pennsylvania?

There was no objection.

Mr. RUTHERFORD. Mr. Chairman, the bill under discussion is without doubt the most important bill that has been before this body in many years. If it is passed in its present form, no one in this body can foretell its effect upon labor and industry in the years to follow. Viewing the actions which forced this bill to the floor of the House at this time, considering, also, how many times the Labor Committee has changed its mind as to what a wage and hour

bill should contain, and, after reading the bill itself, it seems to me that the proponents of this bill do not care what will happen to labor and industry in the years to come. The whole thing appears to be simply a "face saving" device. The President promised a wage and hour bill and a number of Members who profess to be the friends of labor also promised a wage and hour bill, and they are going to attempt to deliver a wage and hour bill no matter of what kind or nature and without knowing or seemingly caring what its future effect will be upon the country. They simply want to be on record as voting for a wage and hour bill. When and if the bill is passed, they can say to labor, "We passed a wage and hour bill and if it does not work out the way you thought it would, that is your funeral; we did as we promised." The proponents of this bill say, "You have to raise wages and shorten hours, so as to put more men to work and give them greater purchasing power." If that theory is correct, why stop at 40 cents an hour and 40 hours a week? Why not make it a dollar an hour and 30 or 25 hours a week? That, according to the theory of the proponents, would give the worker more money to spend and put more men to work and prosperity would be assured.

The trouble is, however, that the theory of the proponents has never worked out that way and never will work out that way. The great majority of the workers in this country, and they are the ones who must pay for any increase of wages to others, do not come under the protection of this bill nor under the protection of any labor union, so they never get the benefit of any forced wage increase. When goods are dear they cease to buy. When they cease to buy the merchant curtails his buying. When the merchant curtails his buying the manufacturer ceases to make goods. When the manufacturer ceases to make goods he has no more need for his help and he lays them off and that makes unemployment worse and adds to the relief rolls. To my way of thinking this bill will have just that effect.

Shorter hours and higher pay will raise the price of goods to the consumer. The consumer, who happens to be the great majority of the workers, does not now have sufficient money with which to supply his needs, and if prices are raised he certainly cannot buy more. In fact, he will buy a less number of articles used for human consumption. When he buys less the merchant buys less, the manufacturer makes less, and a small number of employees will be needed to supply the demand and those not needed will be laid off. So it seems to me that this bill will have just the opposite effect to that which the proponents of this bill desire. Before a bill of this nature is passed Congress should give it a great deal of time and careful study. There are many things that we should know about matters pertaining to the bill. We should know how many workers will be affected by the bill. How many workers receive 40 cents an hour and in what industries. How many workers, if any, this bill will throw out of employment. What effect will it have upon industry? How will it affect our foreign trade? How has it worked wherever tried? The probable number of agents and employees that will be added to our ever-growing bureaucracy. What the added expense to the present high governmental expenses will be. These and many other questions just as important should be known and understood by Congress before it passes this bill. We know what effect the N. R. A. had on labor and industry in this country. We know the effect the 40-hour week had on labor and industry in France. Are we going to profit by these examples and experiments, or will we simply ignore them? Before Congress passes a bill of this nature it should have a research made by the best economists in the country. After they have made a complete study of the matter let them bring the result of their findings to Congress. Then, and not until then, will we Members be in a position to give this matter intelligent consideration. Yet here we are attempting to do something with a matter of greatest importance to our economic life with only 6 hours' debate and without knowing anything about the measure, because those in charge of the bill know very little about it themselves. This bill is of so great importance and its ramifications are so many and of such great extent that Congress could spend a whole session in its consideration, and even then it would not have the complete answer. But we have got to have a wage and hour bill passed this session, so we go along merrily ignoring previous experiences and without sufficient knowledge as to what effects the bill will have upon labor and industry and seemingly caring less. We go through the motions of spirited debate for 6 hours and pass something that nobody seems to actually want and would like to avoid, if possible, simply to save the face of the administration.

This administration has given the country some severe jolts during the past 5 years, the effects of which will take years to overcome, but when it hands out to the country the present wage and hour bill, the country will receive such a jolt as will send it into into a tail spin. The proponents of the bill may make good their promise to pass a wage and hour bill, but if they pass the present monstrosity, with its five-man control over industry, or a one-man control of industry, with its right—

To establish minimum wage and maximum hour standards, at levels consistent with health, efficiency, and general well-being of the workers and the profitable operation of American business so far as and as rapidly as is economically feasible and without interfering with, impeding, or diminishing in any way the right of employees to bargain collectively in order to obtain a wage in excess of the applicable minimum under the act—

whatever that may mean, they will have made good their promise by enacting the most vicious and death-dealing blow to labor and industry that this Nation has ever seen and one from the effects of which will take years to recover. The National Grange has carefully considered the provisions of this bill and gives very convincing reasons why the proposed measure is objectionable. The reasons suggested are as follow:

1. Because it would increase the price of commodities that farmers must buy, without containing any provision for placing farm products on the same price level; thereby destroying any possibility of achieving price parity as between agriculture and industry.
2. Because its enactment would make it virtually impossible for the farmer to secure hired help on wages within his reach.
3. Because it would encourage employers to install more labor-saving machinery in their efforts to keep down cost of production, thereby throwing more people out of employment.
4. Because it would be manifestly useless for us to fix a minimum wage of 40 cents an hour, with a maximum of 40 hours a week, while permitting imports from countries where the going wage is as low in some cases as from 3 to 5 cents an hour.
5. Because those who would be thrown out of employment, when any particular industry could not meet the requirements imposed by the proposed Labor Standards Board, would become a burden upon the public relief rolls.
6. Because it would be unwise to give an appointive board of five men so great a power over all the industries affecting interstate commerce.

The reasons set forth by the National Grange apply with the same force to those workers who do not come under the protection of this bill or are protected by labor unions as they do to the farm population of our country. If by some magic waving of a fairy wand we could raise the wages of all of the workers of the country at one and the same time to the point where they would receive a wage sufficient to maintain the present so-called standard of American living, then a general increase of wages in industry might be absorbed, but under the present existing conditions a general increase of wages in industry cannot be absorbed by the other workers of the country. When prices get high they will refuse to buy, and that does not apply only to the poorer paid workers of the country, but also to those who receive real wages. Recall how the automobile workers attempted to boycott meat because they thought it too high in price. And these same well-paid workers will kick and howl when they have to pay more for rayon dresses, underwear, and stockings and a hundred other articles made by the workers earning under $16 per week and in many instances they will refuse to buy while the goods are high. Human nature has not changed much in 2,000 years, and we are not going to change it by simply passing a wage and hour bill. Mr. Chairman, this measure now before us is one of tremendous importance to the whole country and is of such a nature that its many

ramifications and effects cannot be fully inquired into in 6 hours' debate. It, therefore, seems to me that the wisest and best thing that this Congress can do is to recommit the bill and let the committee give the matter further and better consideration and get the necessary facts and then lay the matter before Congress. It is always good policy to look before you leap. Congress appears to be on the verge of leaping without knowing where it is going to land. This bill is another piece of "We don't know where we're going, but we're on our way" legislation. It should be defeated, or the bill be recommitted at this time.

Mrs. NORTON. Mr. Chairman, I yield 3 minutes to the gentleman from Pennsylvania [Mr. DORSEY].

Mr. DORSEY. Mr. Chairman, it is not my intention to discuss the mechanics of the wage and hour bill, that is, the administrative procedure inculcated in its provisions to carry out the will of Congress. Rather, on the basis of practical experience in industry in the enforcement of the labor provisions of seven codes under the N. R. A., in the time allotted to me I intend to make some observations on the underlying principles of such legislation, particularly as it affects the purchasing power of our people.

Much has been said and more will be said during this debate about the N. R. A., using the weaknesses and failures in the administration of the National Recovery Act as a criterion on which to base criticism of this legislation.

PROSPERITY DEPENDENT UPON PURCHASING POWER

If there is one lesson that we have learned from the depression it is that national prosperity, involving contentment of the masses of our people and security of business, depends upon the purchasing power of the people. While the regulation of wages and hours will not in itself definitely solve the manifold economic problems facing us, while it is not a cure-all for unemployment, yet it is a step in the right direction and is an approach to one of the factors that is upsetting our economy—purchasing power. President Roosevelt in his message of May 24, 1937, said:

> We know that overwork and underpay do not increase the national income when a large portion of our workers remain unemployed. Reasonable and flexible use of the long-established right of government to set and to change working hours can, I hope, decrease unemployment in those groups in which unemployment today principally exists.

Reasonable and flexible use of the powers granted in this legislation to responsible administrative authorities should result in increased purchasing power and reemployment. Despite all the talk about lack of confidence in business and all the remedies offered to inject new life into a drowsy patient, the fact remains that what business lacks today is customers, and customers can only be secured through increased purchasing power. That, in substance, is the answer, and a responsible Congress cannot shirk its duty through failure to approach it fearlessly in the enactment of legislation having this as its objective.

N. R. A. EXPERIENCE SIMPLIFIES WAGE AND HOUR ENFORCEMENT

Since enforcement of N. R. A. codes are cited in discussions upon this legislation, let me remind you that there is a vast difference in conditions as they existed then and now. The constitutionality of N. R. A. was always questioned, and the chiseler, who was more interested in immediate profits than national welfare, took advantage of this to advance his nefarious schemes against its administration.

The wage and hour bill has more definitely and clearly defined constitutional support.

Furthermore, the N. R. A. endeavored to cover the whole range of business and industrial life, including collective bargaining, wages, hours, trade practices, price regulation, and conditions of employment. This bill is more simplified. It deals mainly with hours and wages and certain conditions of employment, particularly child labor. In its administration there will not be the same conflict in objectives as existed under the N. R. A. when some of the enforcement authorities played more upon the raising of the price level than upon reemployment.

The N. R. A. was an experiment in a wide field of business relationships. For the first time in American industrial life business was required to adjust itself to wage and hour standards. This was no easy task, but it should be realized that in a great majority of cases it was accomplished. While the problems then were new, yet the approach to their solution under N. R. A. gives the foundation for the adjustments required under the legislation now being considered. Then, with hours of work limited, working and production schedules had to be adjusted. Floods of protests reached the code authorities that it was impossible to definitely regulate the hours per day or per week, because each protestant said the conditions in their plant were different. But it was done nevertheless. I am familiar with a case bearing directly on this point. Engineers and firemen were working in this plant up to a maximum of 84 hours per week. It seemed to be impossible to adjust the working schedule to a 40- or even 48-hour basis because of the type of equipment and conditions of employment. But through a readjustment in the working schedule and the addition of more engineers and firemen, it was done.

Today business has the benefit of that experience. To the credit of some of our industries, they are still operating under N. R. A. conditions, both as to hours and wages. But that is not true of a great number of industries that have, since the sick chicken brought sleeping sickness to business, increased working hours, and reduced wages. The results of a recent study released by the Bureau of Labor Statistics give evidence of this. That study shows that whereas only 3 percent of the employees in the steel industry were working more than 40 hours per week during the last month of N. R. A., 67 percent worked more than 40 hours per week during the corresponding month 1 year later. In 177 identical cotton garment establishments studied, the total number of man-hours worked increased 14 percent between May 1935 and May 1936, while the number of employees increased only 2.5 percent. At the same time hourly earnings were reduced and, despite the increase in man-hours worked, the total pay roll was reduced a little over 1 percent.

This study shows that employers who desired to adhere to a 40-hour week and maintain the wage level were forced to increase hours and reduce the hourly rate in order to meet the competition of the chiselers, who were, in most cases, taking advantage of labor in substandard localities. The facts developed in this study show conclusively the necessity for Federal regulation of wages and hours. An analysis of conditions underlying these changes in hours and wages to the detriment of the workingman shows definitely that it is a national and not a local problem. By providing an economic wage, not a so-called living wage which only keeps body and soul together, can purchasing power be increased and customers brought to business. Consequently, through increased consumption unemployment will be reduced through increased production. But increased production brought about by a lengthening of hours, sweatshop conditions, unfair trade practices, and reduction in hourly and weekly earnings will not solve the problem. It will only make a bad condition worse.

MIGRATION OF INDUSTRY CAUSED BY UNFAIR TRADE PRACTICES

I represent one of the great manufacturing districts of the United States, including one of the largest textile centers. Having lived in the district all my life, and having worked there, rubbing shoulders with both employers and employees in almost daily contact, discussing with them their problems, I think I am somewhat familiar with conditions in industry. In the last 15 years there has been a steady migration of the textile business from Philadelphia. If this were a local condition solely, its remedy would not be in Federal legislation. But it is national in scope by its very nature. Low wage standards, stepping up of production, other conditions affecting labor, and unfair trade practices have driven the industry into competitive situations resulting in the migration of business, closing of factories, loss of employment, labor unrest, and the loss of homes and the savings of those who were forced out of employment.

If the migration of industry from any section of the country, the so-called decentralization of industry, was based

on social factors only, and was for the benefit of both employer and employee, it could not be objected to with much logic. However, that has not been the case. I have seen factories move from my city leaving behind them hundreds and thousands of skilled workers, some who had spent the best part of their working life with the industry, leaving them stranded to work out their existence. These factories migrated to take advantage of the inducements involving taxation, free land, even the construction of plants to be amortized in the form of rental over a period of years, and a low-standard labor market. To show the effect of this migration from Philadelphia, in the hosiery industry, at one time one of the largest employers of labor in that city, 1,365 full-fashioned machines were lost from 1930 to 1936. The loss of these machines to the Philadelphia labor market represents employment for approximately 6,000 workers.

During the N. R. A. conditions in the textile industry became somewhat stabilized despite the chiseling that was rampant in some sections of the business. This provides a fair test of the necessity for national legislation to revitalize and rehabilitate this, one of the four leading divisions of American industry. But the "sick chicken" case made a sick industry out of textiles. A comparison of 100 textile mills for the last 6 months under N. R. A. with the last 6 months of 1935, after N. R. A. was declared unconstitutional, shows production increased 30 percent, sales only 9 percent, prices were reduced 5 to 7 percent, hours of operation increased 13 percent, and wages were reduced 5 percent. With practices such as these carried throughout industry, increasing hours and reducing wages, is there any wonder that very little progress has been made in the solution of the unemployment problem?

If the solution of these problems could be found in State or local government, then there would be no need for Federal legislation. But the loss of employment and consequently purchasing power of the workers in my district affects every section of this country. Substandard labor conditions are not confined solely to any section of the Nation nor to any one industry. They are to be found in every section, north, east, south, and west. So, in considering this wage and hour program, it must be realized that we Americans play on the same economic team in war and peace. Sectionalism and group allegiance can take on artificial dignity at times when we should be thinking in terms of all of us. That is the most practical way of promoting the welfare of each of us in the peacetime America of today. Every year as we move away from 1787 we can see that less and less can America be partitioned. More and more, out of sheer economic expediency, are we compelled to embrace the attitude "all for one and one for all." The extension of transportation began with 13 States and welded them together as nothing else could. It put us all on the same economic team, and we have become as interdependent as the members of a well-coached football eleven. There is no place for prima donna groups in this scheme. We rise or fall together, as the last depression has taught us, because our prosperity hangs upon the purchasing power of the masses without regard to geography or occupation.

PROSPERITY OF FARMER AND INDUSTRIAL WORKER INTERTWINED

The A. A. A. opened the eyes of my people as to what purchasing power of the farmer means to our workers in industry. When farm products were selling at less than cost of production during the Hoover regime, the smoke ceased to pour from the stacks along Allegheny Avenue, Lehigh Avenue, and the Delaware River front back home. We learned in adversity the relationship that exists between farm prices and busy factories. These constituents of the Fifth Pennsylvania District know that I was representing them well and faithfully when I voted for every farm assistance measure that came before this body. We need a prosperous farmer and he requires us, with cash in hand, if his success is to endure.

Because we are selling goods to each other we have a stake in each other. So I have voted, and will continue to vote for legislation that is designed to promote the farmer's welfare. In doing so I have looked at the economic picture as a whole and now ask that Congressmen from the great agricultural districts do likewise. Unfair wages in industry and excessively long hours lead to cutthroat competition and demoralizes purchasing power which destroys customers for people in your district. Unfair hours mean less employment, and hence a reduced consumption of things your district sells. Manufacturers are people like you and me. They come from the same kind of home atmosphere, have attended the same schools, love their families, see the same shows and movies, and are touched by the same ideals that move most Americans. But just as society at large is afflicted with Capones and Dillingers, so do industry and business suffer from parasitic racketeers within their ranks. But the chiseler within an industry—the operator who will not respect decent standards unless compelled to—drags down the other members of that industry. He may represent only 5 percent of his calling, but the 95 percent are compelled, ever so reluctantly, to adopt the low standards he thrusts upon them. With child labor, subsubsistence wages, and overlong hours he tears at the most vital thing to American prosperity—our purchasing power.

At this very moment men are working in a thousand factories of my district. Of course they are my first concern, but they should be yours, too, for their wives can buy at the corner store the products of the farming districts. The market basket they carry away has a tremendous lot to do with the contentment of your people. We can lay aside ethics, religion, and common humanity from these deliberations if we care to, but we cannot escape the simple fact that a prosperous America is dependent upon prosperous farmers and prosperous industrial workers alike. You can leave your idealism at home, and bring nothing but a dollars and cents attitude to your vote on this wage and hour bill, and you can come to only one conclusion—that we have grown utterly interdependent. Sheer expediency dictates that we follow the course of "all for one and one for all."

The passage of the Wagner Labor Relations Act eliminates from this legislation some of the hurdles faced by the N. R. A. The Wagner Act established the machinery for collective bargaining in industry. It will assure those workers who belong to unions that they will get decent wages and hours. Our present discussion concerns that vast army whose employment does not readily yield to organization and representation. Collective bargaining will put into industry that democracy the founding fathers injected into government. Of course, they could not foresee the coming of tremendous corporations that could become so mighty and tyrannical as any George III. We could not expect them to anticipate a nation stretching from ocean to ocean, and commerce flowing over thousands of miles. It is my notion that we will never thwart the growth of big business in certain lines because it has in these cases many reasons to commend it. If it must endure, let us hold tight to its public virtues while we regulate its harmful features. Where unions are operating we do not require the application of this wage-hour regulation. However, there is a relationship between the provisions of the Wagner Act and what we are now considering. Both are concerned with widely diffused purchasing power and industrial democracy.

With big business growing bigger, the men at the bench are getting more remote from the desk where policy is shaped. Smart executives with labor turn-over in mind have been as cognizant of this as anybody, and have intelligently faced the inevitable. I know some of them who welcome unionism and the regulation of minimum wage and maximum hours. It has spelled easier employee relations and one less serious problem.

And speaking of the inevitable, it is interesting to read columnist Jay Franklin's review of a book written by Samuel E. Morison and Henry S. Commager, entitled "The Growth of the American Republic." The authors are respectively educators at Harvard University and New York University. Morison was exchange professor of history at Oxford and comes from a long line of conservative New Englanders. He is of undoubted orthodox background.

But this conservative has no love for the old order, nor does he consider the New Deal as a revolution in any sense. Rather he views it as something as typically American as corn on a cob. He states that we are never going back to rugged individualism, and that Hoover represented the last stand of that order; that Coolidge economy was typically New England, but his lack of ideals was not. He shows we evolved into the F. D. R. philosophies. Speaking of the New Deal, this new book says:

> It will be easy to see how deep rooted in the American tradition was Roosevelt philosophy and how familiar the Roosevelt methods. It was an attempt to catch up with the political lag of well-nigh 20 years and articulate government to economy. * * * In one form or another it was inevitable. It was directed toward preserving capitalistic economy rather than substituting another system, and the methods employed were in the American tradition.

Reviewer Franklin adds that it contained nothing that had not been accepted by conservative Englishmen, Germans, and Scandinavians for a generation, and nothing that had not been foreshadowed by generations of American legislation.

Step by step this world is getting more reasonable despite the chaos we see in many places. We can trace the trend from the Magna Carta, through our separation from the mother country, and up to this very Wagner Labor Relations Act and wage and hour legislation. All are milestones. We will find the pathway strewn with reactionaries and obstructionists. Every improvement has produced its crop of opponents who fought progress or suggested that we should do our reforming tomorrow instead of today. It is the story of the winning of our political freedom; you will find it in the battles for universal suffrage and public education, and in the abolition of debtors' prisons, slavery, and child labor. In one guise or another progressive advancement of our people has been impeded by opposition that resents change. These citizens revere the founding fathers who dared to sever the bond with the mother country and vest new and unheard-of powers in the common men. These well-meaning enemies of progress worship the courage of yesterday's statesmen while they refuse to emulate them in handling today's problems.

DICTATORSHIP—HAS DEMOCRACY FAILED?

They tell us that regulatory powers in the hands of five men is too great for any such group to wield. If we are to accept this reasoning, it is an open admission to the world that democracy is a failure. Meanwhile our form of government is on trial, and let us not forget that fascism has crept into our western world by way of Brazil. Dictatorship will smile approvingly at any of these gentlemen who look askance at the delegation of power to five chosen citizens. If we share their fears, we will be paving the way for the corporate state with that kind of talk. I do not believe that any Member of this Congress wishes to alter our fundamental ideas of democracy. Rather, I cling to the conviction that by casting doubts about its administration, opponents are hoping to obstruct and defer wage and hour legislation. With them tomorrow is always the day to do the job, not today. They would never have us take a bold stride; just a wee step forward.

What is so dangerous about Congress committing the administration of a wage and hour act to a board of five men? Some of these obstructionists were not so greatly perturbed when nine judges—or six, to be exact—erased legislation which we took the pains to draw up, investigate, debate, and vote upon. And did not Congress delegate similar powers to a board when it created the Interstate Commerce Commission? Did we not hear the same arguments then—that too much power was being placed in the hands of a few men? Has it turned out that way in practice? Is this Nation of 130,000,000 people so devoid of intelligent and honest human material that we cannot find five men who can administer this act with wisdom and impartiality? If that is so, we had better shop for a Hitler and set up the Fascist state at once. Why tarry if democracy has failed?

Ask any lawyer or doctor if he has ever heard a client or patient say: "You see, my case is different; it's peculiar." Usually such a person has an ordinary disease or a very common legal problem. But he believes that it is new to the world because it is new to him. Some businesses that have paid substandard wages for years believe their whole structure will collapse if they adjust their pay rolls to the ideas that prevail today. Congressmen have received all kinds of form letters about wage and hour legislation. Some of these letters are a little careless with facts. One of them encloses a story that wage and hour regulation all but ruined France. Considering the monetary problems of France, and other factors, which do not enter into the American situation, the enclosure is not very convincing. The accompanying letter states that France is "scarcely larger than one of the middle-sized States." I take it that it refers to population, because area has no particular bearing on wage and hour regulation. The French Census Bureau will be as surprised as you are to learn that their nation is so sparsely populated.

The same old cry, "our conditions are different", has ever been made when a forward-looking step has been proposed. The same arguments were offered when efforts were made to reduce hours in the steel industry from the old established 12-hour shifts. It was then claimed that the steel industry was "different", that when furnaces were charged or ingots heated for rolling to finished sizes it was impossible to control the time element; that hours could not be definitely reduced without ruining the steel business. But hours were reduced, and it has not apparently seriously affected the profits of the steel industry.

Every manufacturing concern to a degree is faced with seasonal production. One of the greatest problems of industry has been and still is that of seasonal output. Employment and consequently long hours are at their height during production peaks, and then with seasonal lulls we have the resultant unemployment through lay-offs, furloughs, and short time, decreasing purchasing power. Efforts to correct this have been made in many industries through a diversification of product, manufacturing in the off-season articles that are not considered the main product of the factory but in the production of which the equipment of the plant can be used through minor changes. Business itself has seen the advantage of this policy, because continual hiring and firing through lay-offs caused by the disruption in manufacturing routine have paid their toll in financial returns. A contented, stable, and efficient working personnel brings its rewards on the favorable side of the balance sheet.

There has always been opposition on the part of some industries to the reduction of working hours. Too often in the spirit of individualism have they taken the position that the employee is a hireling to be worked as long and paid only as much as they concluded was necessary. If the employee did not like it, he could quit. But when changes were forced upon them through union organization or legislation, or in many cases through voluntary action on the part of the employer, they soon adjusted their manufacturing and business routine to the new conditions.

It is estimated that industries employing about 12,000,000 people would be affected by the wage and hour bill and that about 3,000,000 of these employees are now receiving less than 40 cents per hour. Dr. Leon Henderson, a noted economist, for whose opinion I have the highest respect, estimates that at least 6,000,000 are now working more than 40 hours per week, basing his estimates on the study of the Bureau of Labor Statistics to which I previously referred. Considering these estimates, the passage of this bill will affect about 6,000,000 workers, reducing their hours of employment, increasing their income through time and half time for employment in excess of 40 hours, and making it possible for many others to obtain employment.

When we pass this wage and hour bill we will have ceased talking about the third of our people who are at the bottom of the economic scheme, and put the Nation in a position to do something about it. We will be accomplishing it for the submerged third, and for ourselves, our markets, and our national prosperity. We will be taking this step so that the

purchasing power can go round and round. For the velocity of our dollars is something that makes for loaded farm trucks headed for profitable markets and factory stacks that belch forth smoke. An interdependent people have learned through depression that national prosperity hinges upon the wide distribution of purchasing power. There can be no submerged groups and no underprivileged geographical areas if America is to thrive. We will soon vote upon one of the most important measures that ever came before a Congress. You are about to move American civilization up another notch. You can then view the long road our country has traveled in labor relations, and get some satisfaction in pondering over where we were and where we are headed.

DEMOCRACY IN INDUSTRY

It has been a continuous fight to put some of the democracy in industry that we enjoy in government. Too often the battle has been bloody because we have refused to act like human beings. Women and children under 10 years of age worked a 73½-hour week in Philadelphia during the early day of our nationhood. The prevailing workday was from sunup to sundown. The Lord only knows how long they would have been forced to work if Mazda lamps had been invented in the latter days of the eighteenth century. The debtors' prisons always loomed for the person who would contemplate a strike to better his sorry lot. When universal suffrage came the working man had his first real participation in government and the common people elevated their choice—Andrew Jackson—to the Presidency. Gone were the debtors' prisons. The first regulations of child labor and women's hours came into being. Labor had organized from colonial days, and Carpenters' Hall in Philadelphia, where the first Continental Congress met, still stands to testify to the existence of the craft unions of that day.

But these early craftsmen were interested not one whit in the welfare of any but their own group. They had no concern with the national economy as a whole. Life was so simple in that day that we can understand their position. It has become so complex that we can, by the same token, comprehend the sound reasoning behind the powerful labor organizations of today, and their view of the labor situation at large, and what it means to all of us. Early attempts at unionization are chiefly of historical interest. The mutual suspicions, which we expect to dissipate with collective bargaining, persisted through the decades. Homestead, the Pullman Co. strike, the coal and iron police, the ever-ready injunction, and the use of the National Guard come marching down the years to meet today in the Chicago Memorial Day massacre, and Tom Girdler's high and mighty remarks in subcommittee. A little of yesterday's bloodiness and some of its czaristic attitudes remain as the Old Guard fights its last battles against the forces of conciliation and reason. We are ascending to high ground at last, and my frank belief is that we have not made the climb so much from grand humanitarian impulses or deep religious convictions. We have come to the stern realization that the average man has to have more than a mere existence if mass production is to continue as part of our economic scheme. Wide distribution of income is so essential to our national well-being that it is impelling us to pass this legislation. I believe we are thinking more in those terms than that we are our brother's keeper. And that observation is less flattering than accurate.

Some Republicans joined Democrats in the emergency legislation that was passed in 1933 and since. They came to see that a crisis is no time to play partisan politics. The effective palliatives were administered with their help, but they should join us in our efforts to effect some permanent cures. We can sometimes understand what they are about when they brand legislation like the Social Security Act and the Wagner Labor Disputes Act as "experimentation." Particularly when we know it is criticism for political purposes. They utter it with tongue in cheek. Some irreconcilables on the other side of the aisle will yell "experimentation" at the legislation we are now considering. I have always maintained that President Roosevelt is no trail blazer—that he has shopped around the world and for the most part has taken proved measures, properly revised, before he applied them into our country. That was my contention when we voted on the Social Security bill. It is interesting to note that the great biographer, Emil Ludwig, concurs in this thought. Ludwig has written splendid biographies of Napoleon, Abraham Lincoln, and Goethe. Now his life story of Franklin D. Roosevelt has begun in a popular magazine. Ludwig, a German, has lived and smarted under dictatorship. He is a keen writing man who is in no way interested in either American political party or how it fares in national elections. He is about as capable and as thoroughly impartial an observer as we can quote. In respect to all this talk of Roosevelt "experimentation" he says:

We—

Meaning Europeans—

do not in any way believe he—

Roosevelt—

has discovered new ideas; what he is doing here in this country we have all had long ago in nearly all the European countries. It is how he does it that is significant for us. That impulse which he imparted to the country in the time of the crisis does not become a loss even if some of his enactments become repealed.

Here, from the historic point of view, is perhaps the last attempt to carry out the social revolution without resorting to force. The sons of those Americans who are opposing Roosevelt today will perhaps some day erect a monument to him as the last of those who fought to preserve their system. One thing certain is that the sons of the poor, for whom he took up the fight, will not forget him. For, at the bottom, what is at issue here is nothing other than rich and poor.

That there should be so many to hate him disturbs me as little as it does him. Did not Lincoln in his later years have half the country against him, and that by no means only in the South? I have met Roosevelt's opponents throughout the whole country in all classes. When I put the question to them, they all began by admitting that in 1933 he had saved the country, but added that today he was playing the dictator. Only those can speak thus who have never had the misfortune to breathe the air of an unfree country.

And still I can imagine how this enmity grew up slowly in the souls of these men. It is the resentment of a proud people against the fact that it once made the gift of the highest powers to an individual, just as a proud woman can never quite forgive the man whom she once permitted to sweep her off her feet.

To those who still cry "dictator" and "experimentation" I commend these words from the pen of one who knows dictatorship only too intimately, and who laughs when we view Roosevelt policies as new and untried theories. For Ludwig knows they have been tested in the laboratory of the world, and so does Roosevelt. [Applause.]

Mr. RANKIN. Mr. Chairman, a parliamentary inquiry.

The CHAIRMAN. The gentleman will state it.

Mr. RANKIN. Mr. Chairman, how much more time remains in general debate?

The CHAIRMAN. The gentlewoman from New Jersey has 49½ minutes and the gentleman from California has 43 minutes remaining.

Mr. RANKIN. Is that all?

The CHAIRMAN. That is all.

Mr. WELCH. Mr. Chairman, I yield to the gentleman from Kansas [Mr. CARLSON] such time as he may desire to use.

Mr. CARLSON. Mr. Chairman, it is not my intention at this time to discuss the merits or demerits of the pending wage-hour bill, but in the few moments allotted me, I want to express my regret and resentment at the letter that I and a number of other Members of Congress received from Homer Martin, international president of the United Automobile Workers of America. This letter was written from Detroit, Mich., under date of December 8 in regard to pending legislation. A portion of the letter reads as follows:

That an unfavorable vote on this bill, or failure to vote or pair in favor will not be forgotten next year when Representatives ask their constituents to reelect them, as this will be the acid test of a Representative's real position.

That this is not a political threat, but a frank expression of conviction, and fair notice that Representatives who do not represent cannot expect support.

Who is this Mr. Martin? He is at the head of one of the affiliates of John L. Lewis and his Committee for Industrial Organization. A number of Members have spoken on the pending legislation, and several have mentioned this particular letter, but I have yet to hear anyone who came to the defense of this indiscreet and insolent letter. As far as I am personally concerned, I wish to state that my vote on the pending bill or any other legislation will not be influenced by threats and intimidations from Mr. Martin or anyone else. If I recall correctly, this is the same gentleman who, some weeks ago, wrote a letter to the United Automobile Workers of the United States and suggested that they boycott beef and meat products because they were abnormally high. He wrote this letter at a time when meat products were high, but even then the farmers were receiving only 47 percent of the retail price of this commodity. The remaining 53 percent was the spread between the producer and consumer and was used largely for wages in processing, transportation, and retailing of this commodity.

The pending legislation is of tremendous interest to the farmers of the United States. I was glad to note that a number of farm organizations and citizens generally condemn Mr. Martin's attitude.

It is my intention to discuss various amendments to this bill under the 5-minute rule, and therefore will not take further time from the House now except to state that my personal sympathy is now and always has been with the wage earner. Much legislation has been enacted in behalf of the wage earner and worker, and no doubt we will continue to enact beneficial legislation for them, but I hope it will not be because of threats of reprisals from labor leaders. [Applause.]

Mr. WELCH. Mr. Chairman, I yield to the gentleman from New York [Mr. HANCOCK] such time as he may desire to use.

Mr. HANCOCK of New York. Mr. Chairman, all decent citizens wish to improve the condition of the poor and the oppressed, of that marginal one-third the President frequently talks about. I am sure every Member of this body is decent, despite the unintentionally amusing letter all of us received in yesterday's mail written by a crabbed old man and beginning with the rather immoderate language:

> It is time the story was told of how the 531 mental derelicts spoken of as numskulls and known as Members of Congress are wrecking our country.

None of us can complacently watch the exploitation of labor by greedy employers, because no one loves a hog except another hog—of the opposite sex. However, in our efforts to improve the lot of the lower one-third among us—if that is the correct fraction, let us be quite sure we do not inflict irreparable harm on the other two-thirds, without benefiting the one-third.

According to my observations, those most interested in the welfare of labor are divided into two principal schools of thought. One group favors the plan of the American Federation of Labor, which would establish a Nation-wide minimum wage of 40 cents an hour and a maximum workweek of 40 hours for employees in interstate commerce. The argument against this plan is clearly and convincingly stated in the bill we are considering (S. 2475) on page 14, lines 12–17, where it is pointed out:

> It is impossible to achieve such results (the elimination of substantial wages and hours) arbitrarily by an abrupt change so drastic that it might do serious injury to American industry and American workers, and it is therefore necessary to achieve such results cautiously, carefully, and without disturbance and dislocation of business and industry.

It is highly desirable that those limits of hours and wages, with certain reasonable exemptions, be established generally throughout the country, and if put into immediate effect I do not believe a single important industry in my district would be seriously disturbed, but there are other sections of the country where the A. F. of L. bill would cause ruin if made suddenly effective.

Let me give you a single example. I am familiar with a company which has been struggling for a number of years to make a success of an antimony mine in Texas on the Mexican border. I am told it is the only antimony mine in the world outside of China. No American will dispute that it is highly desirable to have this American enterprise succeed, particularly in view of recent developments in the Orient. The minimum wage paid in that mine is 22 cents an hour, a figure quite shocking to those who are familiar only with labor conditions and living conditions in our northern cities. But the recipients of those wages are quite satisfied. If the wages were doubled they would work half as much. The only common labor available in that section is furnished by a primitive, illiterate class of people whose wants are exceedingly simple. Perhaps with education in American schools they will aspire to a better way of living in a generation or two and will become more efficient workmen. The Chinese laborers in antimony mines receive the equivalent of 1 cent an hour. If this American company is suddenly required to pay wages of 40 cents an hour it would be compelled to cease operations instantly. Who would be the gainer thereby? No one but the owners of the Chinese mines.

The adherents of the other school of thought would set up an independent board or an administrator in the Department of Labor—it does not make much difference which—with power to fix wages and hours, within the limits of this bill, and to prescribe standards as various and divergent as there are industries and localities in this country.

No individual or group of individuals is wise enough to discharge such a responsibility. No individual or group of individuals should be entrusted with such power if we have any faith whatever in the American system of sovereign States. The argument against the proposal is well summarized in the helpful and courteous communication which Mr. Green, the president of the A. F. of L., sent Members of Congress recently, analyzing the bill before us. He said, in concluding his comments:

> He (the administrator), therefore would have in his control the power to destroy entirely industrial organizations, communities, labor unions, collective bargaining agencies, and determine the conditions under which these respective communities, organizations, and agencies shall function or shall live.

There is a rising tide of protest coming from thoughtful citizens all over the United States against the centralization of power in Washington and the usurpation of State functions through covert and surreptitious laws. As sworn defenders of the Constitution, I believe we violate our oaths of office when we revolutionize the Government by means of a series of legislative coup d'etats.

The two principle plans for the elimination of substandard labor conditions, which I have mentioned, are by no means the only possible solutions of the problem.

In Australia, where local conditions vary almost as much as our own, the country has been divided into districts, each of which, so far as human wisdom can determine it, has the same advantages or disadvantages of climate, transportation facilities, quality of labor, and so forth. A wage scale is fixed for each district, which is intended to place all on a competitive equality. Periodically a study of the cost of living is made in the various districts and the wage scales are raised or lowered accordingly.

One of our colleagues would give broad authority to the Federal Trade Commission to regulate hours and wages on the theory that substandard labor conditions constitute unfair competition.

Another proposes that States be given the power to exclude goods produced under standards lower than those prescribed by the laws of such States.

Another, seeking to avoid the sectionalism and the State barriers to interstate commerce which would result from the last proposal, would have Congress establish certain minimum-wage and maximum-hour standards and give power to the States to exclude goods made where lower standards prevail.

A substantial number of people believe that the labor movement will continue to progress without any new Federal legislation, believing that organized labor, backed by public sentiment, will have the power to force the enactment by

State legislatures of any laws that may be required to correct labor abuses where they exist.

Before I close these remarks let me offer another thought. If I had the power, I would draft about six high-minded, humane, practical employers of labor, of statesmenlike qualities and truly representative of American industry. I would also draft the same number of labor leaders with like credentials. These 12 men I would isolate on some island or in some mountain resort and provide them with every comfort and recreational facility. Under those conditions they should become friends and acquire mutual respect and understanding, for men who reach positions of leadership are bound to have qualities that appeal to other successful men. They would be held incommunicado with the outside world except for purely personal matters. No lobbyist, politician, or reporter would be allowed to approach them. Their staff would consist only of two stenographers and one economist whose sole function would be to supply statistical and other factual data. He would not be allowed to venture opinions or advice.

I might also include in the staff a competent bill drafter and a good constitutional lawyer, if there is one in these parlous days.

Their orders would be to survey the whole field of labor relations and to remain in isolation until they agreed upon a solution consistent with the proposition that "the sole basis of a social system is justice; that justice cannot be perverted either for the rich or the poor, because no group can truly and permanently prosper at the expense of another."

I would not permit any news of the conference to be made public except the conclusions reached.

Perhaps the result of such a conference would be canons of ethics for employers and employees, perhaps it would be specific suggestions for legislations, and perhaps it would be nothing at all. But I should like to see the plan tested, or an approximation of it, before any such far-reaching legislation as is here proposed is enacted into law. With all due respect to the Committee on Labor—and they are entitled to our respect and our gratitude for the ardous and conscientious efforts they have put forth in drafting this bill—I think the best minds of capital and labor should be brought together under the most favorable auspices in an effort to find the remedy for the age-old struggle.

This bill ought to be recommitted. The present emergency does not require any legislation of a reformatory character. Exactly the opposite is true. Business is humbly begging that it be given time to adjust itself to the multitude of regulatory laws that have already been passed under the present administration. Certainly permanent legislation vitally affecting all the industry and labor of this great country should not be passed without thorough study and mature deliberation.

If there is any wisdom in us we will profit by the experience of other democracies having problems similar to ours. I have clippings from newspapers quoting the communiqué issued by the radical French Cabinet on October second of this year, in which the Council of Ministers unanimously announced resolutions affirming its policies: to remain faithful to free money, to maintain peace, to suppress labor illegalities such as violation of collective contracts and sit-down strikes, to put an end to the activities of foreign agitators, to investigate production methods of industries in an attempt to remedy burdens caused by the 40-hour week. "Fifty million Frenchmen cannot be wrong." At least, the lessons the French have learned through hardship and adversity should have a deep meaning for us and we would be unforgivably stupid to ignore them. [Applause.]

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. DONDERO].

Mr. LAMNECK. Mr. Chairman, will the gentleman from Michigan [Mr. DONDERO], yield for a statement?

Mr. DONDERO. I yield to the gentleman from Ohio.

Mr. LAMNECK. Mr. Chairman, Congress now has been in special session approximately 4 weeks. We were called back here under the assumption that there was pressing need for legislation which could not await the convening of the regular session in January. In common with all other Members of Congress, I have been striving very diligently ever since our return to discover just what the emergency situations were that brought us back. The fact is, I am convinced, and I believe that most all other Members of the House are convinced, that no emergency existed in regard to any of the recommendations made to the Congress.

There is an emergency all right, but it is being ignored. I refer to the emergency that exists for giving some real assistance to business.

Most of our time up to the present has been given to shilly-shallying around in connection with the wage and hour bill. As entertainment, the antics of the House in this connection have been highly diverting, but that is all that can be said for our activities.

The question in connection with the wage and hour bill, which constantly recurs to me, and I am sure to other Members of the House, if indeed not to every man and woman in the United States, is: Who wants this bill passed anyway?

It cannot be either of the original introducers, former Senator Black or the late Representative Connery. Senator Black has a new job with better wages and shorter hours than he had when he introduced the bill. This takes care of the ambition of one simon pure New Dealer. Our late colleague, Representative Connery, has departed this life.

It cannot be that the White House is greatly interested in seeing the bill passed. If it were, certainly the fact would have been made crystal clear in the President's recent message to Congress. He never has hesitated to ask for anything from Congress that he really desired.

It cannot be that this House of Representatives is desirous of seeing the measure passed. The disgraceful scenes that we have witnessed on this floor in the recent past, consisting of horse trading, jockeying, threatening, coercing and villifying, in an effort to obtain the needed majority to get the bill out of committee, proves conclusively what the House thinks about the bill. It just does not want it passed.

It cannot be that organized labor is enthusiastic about passage of the measure. The American Federation of Labor has gone on record definitely against it. John L. Lewis was a long time making up the mind of the C. I. O. as to its attitude toward the measure and the feeble endorsement which he finally gave it demonstrates conclusively what his real feelings are.

It cannot be that the remainder of the gainfully employed workers of the country, that is, the unorganized groups, constituting 82 percent of all labor, wants the bill. Surely they have given no evidence that they feel the legislation is imperative.

It cannot be that the remainder of the adult population of the country is behind the measure. On the contrary, representative businessmen, property owners, and other informed persons who know what chaos would follow enactment of the bill into law in its present form, have taken a firm stand against it.

It cannot be that the newspapers, which circulate to the extent of 42 million copies daily, are behind the bill. Their almost unanimous opinion, as expressed in editorial columns, is that it is a piece of hodge-podge legislation designed only to further confuse the muddled business and industrial situation.

The groups that I have mentioned embrace the principal thinking forces of the United States that would have some interest in this measure. Yet we find that none of them is for it.

Why, then, are such strenuous efforts being put forth by a few persons to get the bill through the House? The answer is that this is the last desperate effort of the little coterie of brain trusters to put control of wages and salaries in the United States under the Federal Government.

The handwriting is on the wall. Brain trusters as a potent force in Congress are through. However, they may have

manipulated this bill into such a position, through trades promoted largely by sectional patriots, that they may get by with it. Then they will take care of the few remaining "hot dogs" of the Felix Frankfurter school who are not now on the Federal pay roll, recruit another army from the needle trades of the lower East Side of New York and start in harassing business from another angle.

This is an unpleasant prospect, but possibly it is the quickest way to bring the people of the United States to a full realization of what is being done to business by the type of persons on Government pay rolls to whom I have referred. Their presence in the Middle West, where I come from, largely as representatives of the National Labor Relations Board, is quickly bringing people to a full realization of the dangers of policies as administered by graduates of Harvard and Columbia Law Schools. Sober-minded citizens realize that these young theorists are absolutely unmindful of the welfare of business so long as they can put their pet plans into practice. Having met these irresponsible agents of the New Deal face to face, not only businessmen, but patriotic Americans generally throughout the Middle West are determined that this sort of domination must be ended. And so it will be ended.

The uncertainty of the sponsors of this measure as to just what they want to do with it, is, in itself, an answer to its hodge-podge nature.

The plan to have a five-member board administer this has been abandoned because of recent revelations of the unsavory activities of the National Labor Relations Board.

A proposal now is made that the administration be placed under the Department of Labor. I say with all possible emphasis that the people of this country have no faith in the Department of Labor as now administered. They do not want powers of the wide-reaching character which are proposed in this bill to be placed in that Department under its present administration.

It is suggested by some that administration of this measure be placed under the Department of Justice. This is not as bad a suggestion as some of the others, but the recent announcement that this Department is going on a trust-busting expedition would indicate that it, too, has lost its balance and is not to be trusted with the administration of this act.

There remains, then, only one Government agency which might administer this proposed legislation fairly and with the least injury to business. While I should favor recommitting the bill to the Labor Committee for a period of eternal sleep, if we must have a wage and hour bill of some kind, I say put it under the Federal Trade Commission. This group, at least, is composed of fair-minded men who are not trying to turn loose a swarm of Felix Frankfurter's boys on the industry of the country. I, therefore, shortly shall propose an amendment to strike out all of the present bill after the enacting clause and substitute my measure which would place administration of the act in the hands of the Federal Trade Commission.

Mr. DONDERO. Mr. Chairman, the best Christmas present this Congress could give to the American people is to send this bill back to the Committee on Labor of the House before this Nation travels along the road any further in the same direction taken by Germany, Italy, and Russia. [Applause.]

I believe it has been demonstrated beyond a reasonable doubt that all business and industry cannot be regulated from Washington without disastrous results to the Nation as a whole.

After adding $20,000,000,000 to the Nation's debt in 5 years, we are now in the midst of a depression and a recession in business that is bringing want and deprivation to thousands of our people.

Private capital has been driven into a sit-down strike of its own and it cannot take up the "slack" in business because of the attitude of those in authority at the present time. Rebellion, disloyalty, strikes, and violence restrict labor's opportunity to work, destroys the employer's incentive, and causes capital to seek a hiding place for safety.

Nearly $37,000,000,000 have been taken from the value of the personal property owned by a vast number of the people of this Nation. Business has been in a tail spin for the past 90 days. Industry is barely moving. Unemployment is increasing, and the wage earner, because of curtailed production, is receiving less than a year ago.

What is the reason for the present condition? Government has attempted to dictate by regulation nearly every activity of the American citizen. This Congress has passed laws which strangle, curtail, and prevent employers of labor from expanding their business and proceeding in an orderly and sound manner. Unjust taxation has been thrown across their path as an added obstruction to prosperity. Hostility, intimidation, threats, and even Government competition with private enterprise has been the lot meted out to those who meet and provide pay rolls for the laboring man. Utilities have been intimidated by Governemnt experiment to such an extent that they have been placed in fear and are uncertain as to what is coming next.

In the 10 years preceding this administration, private utilities expended for new work, expansion of business, added employment, and material $695,000,000 annually. Since this administration began, with its unfriendly attitude toward the employers of labor, that amount has decreased to $91,000,000 annually.

Now another bill is before us which, in my opinion, will further impede the orderly progress of this country by attempting to place in the hands of five men the authority to tell the employers of the Nation what they must pay, how long men can work, and removing from the people the right to conduct their own affairs. The fate of industry and business will be in the hands of politicians and Government officials. This is bureaucratic control of the most glaring nature. This is regimentation that will further restrict and retard better times. This bill will humbug labor and cause unemployment.

If this bill becomes law, the private affairs of the employer of labor in this country will become the property of a board of politically appointed snoopers. The private records of all business will be open to investigation. Search and seizure will be common. No employer will be safe from the prying eyes of his competitors. An employer would not be permitted to discharge the fomenters of trouble in his own establishment without asking Washington.

The Board provided for in this bill is responsible to the President alone, which gives the Executive absolute control over all industry and business, large and small.

The American Federation of Labor does not want legislation of this kind and has said so in writing to the chairman of the Labor Committee of this House. This bill is bound to increase the cost of production which must be met by the consumers, but it excludes the largest group of consumers in the country, namely, those who labor on the farm. That group works longer hours at lower wages than any other class in the Nation. Their lot is a real sweatshop. When you increase the price of the product of industry and business you reduce the purchasing power of the farmers, and they will buy less instead of more because of the increase in the cost of commodities.

This bill is distinctly class legislation and applies to but one-half of the wage earners of the country.

I want it understood that I stand for labor receiving a fair wage, as much as industry and business can reasonably pay and still continue and expand, but I am unwilling to support any legislation that in my judgment will work to the detriment and injury of labor such as the bill we have before us.

I believe the country is beginning to understand that Washington does not hold the answer to all economic problems.

On March 4, 1933, our President told the Nation that all it had to fear was fear itself. Industry and business is possessed of a real fear today. They stand in fear of further legislative restriction and regulation. They stand in fear of

threats, intimidation, and Government competition. They stand in fear of unreasonable and excessive taxation. They stand in fear of further unconstitutional methods employed to reduce them to subjects under dictatorial and bureaucratic control from Washington. They stand in fear of further restraint of freedom of action. They stand in fear of the enactment of this bill.

In section 20 on pages 8 and 9 of the bill, food is not entirely exempt from the provisions of this bill. Food in any form from production to consumption should be excepted from the provisions of this measure if the country must have this form of regulation; and lines 15 to 18, inclusive, should be entirely stricken from the bill. I hold in my hand a large number of telegrams from the distributors and dealers in fruits and vegetables asking that they be excepted from this bill.

The little man will suffer under the provisions of this measure.

The humblest shoemaker who employs one or two in his repair shop will find himself without help on Saturday, when it is needed most, if the man has worked 5 days of 8 hours each during the rest of the week. The clerk in the small grocery store will find he will not have employment on Saturday, when he is most needed, if he has worked the previous 5 days at 8 hours a day. Will it be possible for his employer to obtain another experienced person to take his place for one day a week? The gas-station attendant who works 8 hours a day for 5 days can be idle on Saturday, or his employer can close the gas station or find someone to work the extra day. People want to work but idleness will be their portion under the provisions of this proposed legislation.

These are some of the examples of what will happen if this bill becomes law in its present form.

Every labor union, every agreement or contract, and every working condition, good or bad, will be under the domination of a board with its horde of political appointees here in Washington. We will have another army of investigators to further harass the employers of labor.

Yesterday I heard an appeal made on this floor that you Democrats had made a promise in your 1936 platform and that this bill was to carry out that promise. You also made a promise to the American people in 1932 that you would reduce the cost of government 25 percent. Will you carry out that promise by the enactment of this legislation?

The best Christmas present this Congress can make for the welfare of the American people is to recommit this bill to the committee for further study and consideration before this Nation moves farther along the road taken by Russia, Italy, and Germany. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Missouri [Mr. WOOD].

Mr. WOOD. Mr. Chairman, we have reached rather a stalemate in this legislation. Whatever may be the legislative situation of this bill now, it is not the fault of the Committee on Labor. The Labor Committee of the House has worked long and arduously to secure a wage and hour bill. In the last session we held joint hearings of the House and Senate Committees on Labor all day long for 3 long weeks. Before this committee appeared, among other witnesses, Mr. Green, of the American Federation of Labor, and Mr. Lewis, of the C. I. O. Both of these gentlemen placed their stamp of approval on the bill, with a few suggested changes. Neither one of them had any objection to administration of the law by a board. They, together with Mme. Perkins, the Secretary of Labor, agreed it should be administered by an independent board.

After the 3 long weeks of hearings the Senate committee met in executive session and reported out a bill which virtually emasculated the original wage-hour bill. Many representatives of the labor movement opposed that bill in the Senate. William Green, president of the American Federation of Labor, advised the Members of the Senate to vote for the bill with the hope of getting the bill so amended in the House committee that it would overcome the objections of the American Federation of Labor and make the measure acceptable to labor. When the bill came over to the House, the House committee worked on it nearly 3 weeks. Practically every amendment suggested by the President of the American Federation of Labor was accepted by the House committee.

In the latter part of the last session I personally worked many days with the president of the American Federation of Labor, two attorneys of the American Federation of Labor, and two attorneys of the administration, in an attempt to work out amendments which would make the bill acceptable to the American Federation of Labor. We worked out seven amendments, and six of the amendments, which were the principal ones, were accepted by the committee.

After these amendments were accepted and placed in the bill, on August 9 I received the following letter from President Green, and I suppose every other Member of the House received it:

> The wage and hour bill, as reported by the House Labor Committee, is reasonably acceptable and fairly satisfactory to labor. For that reason I am taking the liberty of writing you requesting you to support this proposed legislation when it is presented to the House of Representatives for final passage.
>
> It occurred to me that you wish to know the attitude of the American Federation of Labor toward the wage and hour bill. In fact a number of Members of Congress have made inquiry as to the position the American Federation of Labor assumed toward this important measure. I am, therefore, writing you this letter, advising you of the American Federation of Labor's endorsement and approval of the wage and hour bill as reported by the House Labor Committee.
>
> I sincerely hope you may find it possible to vote for the enactment of the wage and hour bill into law without any substantial change in the form and character in which it is reported to the House for passage by the House of Representatives.
>
> WM. GREEN,
> *President, American Federation of Labor.*

I know that this letter represented the honest and conscientious convictions of President Green of the American Federation of Labor at the time it was written.

I have always been deeply interested in and honestly and conscientiously in favor of the passage of the wage and hour bill, and I believe the Democratic Party owes it to the people of this Nation to pass the measure. In the fireside address the President made to the Nation just before election day he told the people in no uncertain terms the Democratic Party intended to raise wages and bring about labor conditions which would result in a more abundant life for the workers of this Nation.

Since this session started we have found there are other objections to the bill. I personally talked to Mr. Green, and he told me over the phone at that time that they would rather have the bill administered either by an administrator in the Department of Labor or by the Department of Justice than in the manner previously provided in the bill. This information was carried to the Labor Committee, and it amended the measure, placing the administration of the law in the hands of the Department of Labor. Since then the bill has been reported out, and we are now asked to accept an entirely new measure.

As far as I am concerned, I am going to vote for any bill which comes before the House for third reading and final passage. I am going to vote against a motion to recommit [applause], because this session was called for the purpose of passing wage-hour legislation and farm legislation, and we are meeting here for no other reason. Since listening to the remarks by a number of Members, it seems we are here to pass farm legislation and wage-hour legislation in the interest of the future aspirations of the Members of Congress. I believe we should pass legislation in the interest of the wage earner and in the interest of the farmer. I voted for the farm bill, although it was not at all acceptable to me, and I did so in the hope that we may correct the bill after it has gone to conference, or that the Senate may bring over an improved bill, as it did on numerous occasions during the 1933, 1934, and 1935 sessions of Congress in respect of the New Deal legislation. I hope some bill will pass this session.

A number of Members have made the complaint that farm labor is left out of this bill. I suggest to such Members that they present an amendment bringing under the operation of this law all farm labor working for employers who employ regularly more than five or eight farm laborers. The majority of the farms of this Nation are operated by the owner, with the occasional employment of some help, perhaps a neighbor. However, the large farms where five or eight or more workers are regularly employed or, as in the case in California, where farming has become an intensive industry, should come under the law, and I am willing to vote for such legislation. Whatever the bill, whether it be the original bill, the bill as reported out of the committee with amendments, or the substitute which has been presented by the American Federation of Labor, we ought to be honest with ourselves and with our constituents, and I intend to do so by voting for any bill which will bring some measure of relief to those workers who receive a substandard wage.

It was stated upon the floor a few days ago by my genial friend, the gentleman from Texas [Mr. MARTIN DIES], in his talk against this bill, that unemployment is increasing by leaps and bounds, and we have tried to take up the slack by the expenditure of billions of dollars. We have not taken up that slack by the expenditure of these billions, and we will never take it up until we give the workers buying power.

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Missouri.

Mr. WOOD. Workers were deprived of normal buying power all during the depression, and it is very significant that the income of the farmers and the income of the wage earners went up and down together. It is a fallacy to suggest that raising wages will depress farm prices, as some in opposition to the bill have contended. We must balance production and distribution.

If we are not going to do it by the enactment of wage and hour legislation and farm acreage control legislation, how are we going to do it? Those who have opposed this measure have not offered any solution. As they have not offered any solution, they ought to go along and help us enact legislation that will benefit the workers and give those who are receiving substandard wages in this Nation an opportunity to enjoy some of the comforts as well as the necessities of life.

Mr. O'MALLEY. Mr. Chairman, will the gentleman yield?

Mr. WOOD. Yes.

Mr. O'MALLEY. The gentleman from Missouri, like a good many other Members of the House, is a member in good standing of a labor organization. Does the gentleman know whether any of the rank and file of labor have been polled by their leaders with respect to how they stand on this bill?

Mr. WOOD. No; I do not know about that, but I know that the State Federation of Labor of Missouri has repeatedly gone on record, and, as we have discussed this matter at length in our last five conventions, I do know that the organized and the unorganized workers want wage and hour legislation. [Applause.]

Whatever you may say about the N. R. A., in the mist of time the N. R. A. will be termed by thinking people one of the greatest pieces of legislation ever passed by the Congress. [Applause.] Those unorganized workers who got a reasonable wage under N. R. A., which was afterward declared unconstitutional, had their wages immediately reduced. They now want some legislation that will protect them until they can get an opportunity to organize and defend their own wage standards and improve their working conditions. The workers of the Nation want some kind of wage-hour legislation. They are not so particular about the mechanics, but they want results, and I believe it is our duty, and we should accept the responsibility of voting for and passing wage-hour legislation before this session adjourns. If we do not do this, we have fallen far short of our duty.

Mr. RANDOLPH. Mr. Chairman, will the gentleman from Missouri yield?

Mr. WOOD. I yield.

Mr. RANDOLPH. The fear has been broached in the debate here that the minimum wage would become the maximum. The gentleman knows that is not a possibility.

Mr. WOOD. I am glad the gentleman has asked that question. The same fear was broached when the N. R. A. was passed, and that was not the case.

Mr. GRISWOLD. Mr. Chairman, will the gentleman yield?

Mr. WOOD. Yes.

Mr. GRISWOLD. Under this bill there is no minimum wage, is there?

Mr. WOOD. But this bill is intended to bring up the wage of the substandard worker to 40 cents per hour and reduce his workweek, which will not only give him additional purchasing power but will spread employment.

Mr. GRISWOLD. But so far as the bill itself is concerned, it does not designate any minimum wage.

Mr. WOOD. No; it does not designate any minimum wage, but it authorizes the Board or the Administrator, after making an investigation, to bring up the wage if it possibly can be done.

Mr. RANDOLPH. Mr. Chairman, will the gentleman yield further?

Mr. WOOD. I yield.

Mr. RANDOLPH. Forty cents is the goal sought to be reached?

Mr. WOOD. Forty cents is the goal, and I may say that the six amendments submitted by the American Federation of Labor and accepted by the Labor Committee, I think, and they thought at that time, adequately protects the right of collective bargaining and organization among the workers.

Mr. WITHROW. Mr. Chairman, will the gentleman yield?

Mr. WOOD. I yield.

Mr. WITHROW. Does the gentleman intend to support the so-called Dockweiler substitute for this bill?

Mr. WOOD. I shall support any bill that comes up for final passage. There is such a thing as legislative honesty, and our committee has gone along and has told the 218 Members of the House that if the petition were signed and the bill brought out, we would submit an amendment to eliminate the board and put the administration of the law under the Department of Labor, and that will be done by the chairman of the Labor Committee. [Applause.]

[Here the gavel fell.]

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Oregon [Mr. MOTT].

Mr. MOTT. Mr. Chairman, like nearly all of the other major legislative proposals which the President during the past 5 years has sent, ready-made and ready-drafted, to the Congress, this bill, S. 2475, pretends to be something which it is not.

S. 2475, commonly referred to as the Black-Connery bill, but with the writing of which neither former Senator Black nor former Representative Connery had anything to do, pretends by its language to be a bill to establish minimum wages and maximum hours for labor in business and industry. Not only has the language of the bill itself given that impression to the country generally but the propaganda which has been put out by the administration continuously for the past 6 months has tended further to give the country this impression of the bill. Not only this but the frequent use in the bill of such terms as "a 40-cent minimum wage" and "a 40-hour maximum workweek" have created a general belief among the people that it is the purpose of this bill to establish a minimum wage for labor of 40 cents an hour and a maximum workweek of 40 hours.

Now the fact is that this bill does not establish either minimum wages or maximum hours and that it is not even the purpose of the bill to prescribe minimum wages or maximum hours; and that, in my opinion, is the first thing in any discussion or consideration of this bill that the Congress and the country should thoroughly understand.

There is another matter about which the country should be informed in this connection. A part of the propaganda which has gone out to the country in an effort to create favorable opinion for this bill has attempted to convey to the people the idea that the administration, and particularly the President, has long been in favor of legislation which would establish a minimum wage and a maximum workweek for labor. The first and most important piece of propaganda of this kind was the President's message of May 24, 1937, which immediately preceded the introduction of the bill we are now considering. In that message, which carefully avoided mention of a single specific provision of this bill, S. 2475, which accompanied the message, and which was wholly conceived and completely prepared in the executive department, the President plainly endeavored to give to his listeners the impression that the legislation he was talking about in that message was a bill prescribing a minimum wage and a maximum workweek in industry.

In that message the President also undertook to convey the idea that for a long time he had favored legislation fixing minimum wages and maximum hours but that enactment of such legislation had been opposed and was being opposed by those selfish interests which he had previously described as Tories and reactionaries. The administration publicity which immediately followed this message further endeavored to carry to the people the idea that the President was the champion and, in fact, the originator of legislation which would guarantee to the workers a decent minimum wage and a reasonably short workweek.

Now, the plain fact is that neither the President nor his administration spokesmen in Congress have ever advocated or even approved of legislation establishing minimum wages and maximum hours for labor, as such legislation is generally understood by both employers and employees throughout the country. There are pending in Congress at this time at least a dozen bills, all having for their purpose the mandatory establishment by law of a minimum wage and a maximum workweek. The first of these bills was introduced as early as the Seventy-third Congress. That was the Black-Connery 30-hour bill. That bill was actually passed by the Senate and was favorably reported to the House by the House Committee on Labor. When the President heard of it, he immediately sent in the N. R. A. bill and demanded that the N. R. A. have the right of way and that no further consideration be given to the Black-Connery 30-hour bill, and the Black-Connery bill thereupon was immediately pigeonholed.

After the Supreme Court by a unanimous opinion held the National Recovery Act to be unconstitutional, numerous attempts were made in the House by the liberals on both the Democratic and Republican sides to secure consideration of one or more of the pending mandatory wage and hour bills. The opposition of the President prevented consideration of any of these bills. The most recent of the wage and hour bills, the Dockweiler bill, which has been approved by the American Federation of Labor and which will be offered as a substitute for the pending bill by way of amendment at the conclusion of this debate, was introduced only a few days ago. The Dockweiler bill, without sham, pretense, or camouflage establishes a minimum wage of 40 cents an hour and a maximum workweek of 40 hours. It exempts agriculture and the several other businesses and industries which by common agreement ought to be exempted. It has the universal approval of labor throughout the country and has met with no substantial objection even from the employers. And yet what is the President's attitude on this bill? The President and his administration leaders in the House are definitely opposed to the Dockweiler bill, and it is very doubtful, in my opinion, on account of the administration majority's control of the House, that we will be given an opportunity even to vote upon the Dockweiler amendment.

Now, Mr. Chairman, I have endeavored briefly to tell you what the pending administration bill is not. It is not a bill to establish a minimum wage or a maximum-hour week. I have also endeavored to state briefly what the attitude of the administration is and has been for 5 years on wage and hour legislation, as that term has been commonly understood both in Congress and in industry and in the general field of labor. Let us now examine what kind of a bill it is that the administration, after months of ballyhoo and propaganda, has offered to the Congress and the people upon this subject. Just what is this 63-page document in the form of a bill entitled "S. 2475," which the administration through every known publicity means at its command has been trying to sell to the wage earners of America by representing to them that this is a bill to establish a minimum wage and a maximum-hour week in industry.

In the first place, does this bill provide for a minimum wage of 40 cents per hour? Most certainly it does not. Does the bill establish a minimum wage of any kind in any amount whatever? It does not. Does it prescribe a maximum workweek of 40 hours, as thousands of the overworked and underfed factory toilers in the East and South actually believe it does? The bill prescribes nothing of the sort. Does it establish any maximum-hour week of any kind for any wage earner anywhere? It does not. Does it prohibit the labor of children, about which there has been so much talk in the debate, either in factories or sweatshops or elsewhere? It does not, although it devotes at least two of its 63 pages to talking about child labor in the same way that it talks about wage and hour standards in the rest of the bill.

What is it, then, that this bill does do? Stripped of all of its Cohenisms and Corcoranisms, of its camouflage, and of the bombastic insincerity of its preamble or legislative declaration, the bill does simply this and nothing more. It sets up a wage and hour division in the Department of Labor and creates the office of administrator. The administrator is appointed by the President at a salary of $10,000 a year. He is responsible to no one, neither to the President nor to the Congress nor to the Court. In this administrator the pending bill, S. 2475, vests the sole, exclusive, and absolute authority to regulate and establish minimum wages and maximum hours for labor in private business and industry.

The bill authorizes the administrator to fix and determine these hours and wages solely in his own discretion and to enforce them through orders made at his own discretion and which, when made, have the full force and effect of law. The bill provides that an order issued by the administrator shall not be subject to review by any other person or agency in the executive department of the Government and that noncompliance with any order the administrator may make shall be punishable by fine or imprisonment, or both. The administrator is authorized to cancel or modify his orders at any time he sees fit and to hold both employer and employee responsible for noncompliance with the changed order. The bill provides that when the administrator shall bring a suit or action to enforce one of his discretionary orders establishing wage scales or hours of labor in industry, or in any particular plant or factory in an industry, the courts of the United States must assume immediate and unlimited jurisdiction to compel obedience to the order, but that when an employer or employee shall be aggrieved through one of these orders and shall petition the court for a review, then the jurisdiction of the court shall be limited to passing upon questions of law, unless it shall appear "that the findings of the administrator are arbitrary and capricious."

The joker in this particular provision of the bill, as every lawyer knows, is that inasmuch as the entire authority of the administrator under the bill is discretionary, no question of law can possibly arise for the court to pass upon. This provision is a comparatively minor one, but it is typical of the deception and the deceit which a careful examination will disclose on almost every page of the bill.

Within the broad, elastic limitations of the bill—and I intend to comment directly upon these limitations before I conclude—this strange and unprecedented proposal which masquerades under the name of a wage and hour bill,

gives to the administrator complete discretionary authority to order and enforce compliance with any kind of a wage scale he chooses to make or with any kind of a workweek which he chooses to order. He can make one scale of wages for a sawmill in Oregon and another for the same kind of a sawmill in Alabama. He can even prescribe different wages and different hours of labor for employees in the same sawmill in either Oregon or Alabama. He can fix a minimum wage at 30 cents an hour in a cotton mill in Boston and a minimum wage of 15 cents an hour for its competitor in the same town or in a town a thousand miles distant. He can fix a maximum workweek of 50 hours in one place and of 40 hours in another. He can do anything he pleases on the subject of minimum wages and maximum hours regulation whenever he pleases and wherever he pleases, and to help him do this the bill gives him authority to hire as many assistants, inspectors, investigators, and snoopers as he pleases in any and all parts of the United States.

No functionary has ever been given more sweeping power to do with as he chooses than this bill proposes to give to the administrator. He can, upon his own authority and without leave of any court, issue a subpena duces tecum to any employer in the United States and have that employer, with all of his books, records, telegrams, and letters, hauled before the administrator personally or before any assistant or employee of the administrator whom the administrator may choose to designate.

He is authorized under this bill to tell both the employer and the wage earner what a fair labor standard for their business is. He may tell them what sublabor standards are, what an oppressive workweek is, what constitutes an oppressive wage, and what is meant by oppressive child labor. I call particular attention to the fact that the bill itself defines none of these terms but gives to the administrator the sole authority to define these terms to suit himself and to compel obedience and compliance with that definition both by the employer and the employee. So far as I am able to find, this is an entirely new idea in law making. I know of no statute that has ever been enacted by the Congress or by the legislature of any State which has ever given to an administrative officer the power to make his own definitions of the very subject matter of a statute and then to compel acceptance of these definitions upon pain of fine and imprisonment for nonacceptance or noncompliance with them.

This entire bill constitutes one vast wholesale surrender by the Congress to the administrator of its entire effective jurisdiction over wage and hour legislation and sets up the administrator as an absolute czar in that field. It will be recalled that the delegation by Congress of its legislative powers to an administrator under the National Recovery Act was unanimously held by the Supreme Court to be in violation of the Constitution. But the delegation of legislative power under the N. R. A. was a mild and conservative delegation compared to that which is proposed in this bill. The Supreme Court of the United States in holding the N. R. A. to be unconstitutional described the delegation of power therein to the administrator as "delegation run wild." What must it say of the delegation proposed in this bill when, in event the bill becomes law, that same question shall come before the Court upon a test of the constitutionality of the act?

It is not conceivable, in my opinion, that anyone who has read the decision which by the unanimous vote of the Court struck down the National Recovery Act, and who has carefully read the bill we are now considering, can seriously believe or contend that the pending bill, S. 2475, is constitutional. It is my serious opinion that the two executive assistants, Messrs. Ben Cohen and Tom Corcoran, who are credited with having written the original draft of this bill, knew when they wrote it that it was unconstitutional. I would be utterly unable to understand how any Member of Congress, upon constitutional grounds alone, could support this bill, were it not for the fact that I know it has been the custom of so many of the majority Members of the House to follow the advice of the President upon constitutional questions. That advice which he gave them in connection with the original Guffey coal bill, was that they should not allow their doubts as to the bill's constitutionality, however reasonable, to stand in the way of their voting for the bill.

In conclusion, Mr. Chairman, I desire to revert to the reference I made a moment ago to the broad and elastic limitations of this bill, by which alone the discretion of the administrator is bound. Aside from the slight restraint placed upon the administrator through the provisions of this bill exempting a limited class of industries and occupations, the bill imposes but one limitation upon the administrator's discretionary power. And that limitation, in my opinion, constitutes the supreme joker of this supremely amazing bill. This one limitation, I am sure, will bring joy to the hearts of the millions of underfed and overworked wage earners of the country, and I know they will be glad to hear about it. The single limitation imposed upon the administrator under this bill is this:

In establishing wage and hour standards the bill provides that the administrator may not fix a minimum wage at more—and I trust gentlemen will mark this, and mark it well—at more than 40 cents an hour, but he is permitted, under the bill, to establish a minimum wage as much below 40 cents an hour as he may desire. He can establish a minimum wage at 10 cents per hour if he wishes to do so. Also, in fixing the maximum workweek the bill provides that the administrator may not prescribe a shorter week than 40 hours. He has complete discretionary authority to establish a 60-hour week if he wants to, but he cannot go below 40 hours. There, I repeat, is the supreme joker, the supreme piece of sham, and the supreme insult to the wage earner of America which this bill contains. I want the wage earner who has been fooled by propaganda to understand this. I want him to know that this bill gives the administrator authority to do everything and anything he pleases in connection with wage and hour regulation except what the honest wage earner wants an honest wage and hour bill to do.

Mr. Chairman, in my humble and sincere opinion this bill is a fraud. It pretends to be a wage and hour bill. It pretends to establish minimum wages and maximum hours for the benefit of the worker. Instead of that, it does nothing for either employer or employee except to put them both under the heel of the most absolute and autocratic bureaucracy that any piece of legislation has ever attempted to set up in this country.

If this Congress wants a wage and hour bill, and for my own part let me say emphatically and unequivocally that I believe that honest, mandatory wage and hour legislation is necessary and have always consistently advocated it, let us vote for an honest bill. Let us vote for the Dockweiler bill, which has the endorsement of labor and of the country generally, which actually establishes a minimum wage and a maximum workweek, which prohibits child labor, and which is to be offered as a substitute for this bill. If the Dockweiler bill should be held to be not germane then let us vote to recommit this bill and demand that the Committee on Labor report to us a mandatory wage and hour bill, one that we will not have to apologize for or be ashamed of, one that meets legitimate desires both of labor and of industry, and one that is drawn with at least some regard and respect for the plain provisions of the Constitution of the United States. For that kind of a measure, Mr. Chairman, I believe there exists a real necessity and a real demand, and I trust that upon recommitment of this bill to the Committee on Labor we will be given an opportunity to vote upon such a measure. [Applause.]

The CHAIRMAN. The time of the gentleman from Oregon has expired.

Mr. WELCH. Mr. Chairman, I now yield to the gentleman from South Dakota [Mr. CASE].

Mr. CASE of South Dakota. Mr. Chairman, I appreciate the opportunity of making some remarks upon this bill, and ask unanimous consent to extend my remarks in the RECORD.

The CHAIRMAN. Is there objection?

There was no objection.

A LOT OF MISSTEPS IN THIS BILL

Mr. CASE of South Dakota. Mr. Chairman, if ever a bill took a good name and then proceeded to lead the people into trouble, this so-called labor bill is it.

If the wage and hour bill fails of passage, its sponsors will try to make out that those who vote against it are enemies of labor. That will be far from the truth. Many real friends of labor are supporting this measure, but the best they have been able to say for it is that worn-out excuse, "It is a step in the right direction." But any study of the bill must reveal that there are a lot of missteps in the bill. Otherwise it would not be necessary for it to come before us, patched up on the night before consideration with 129 amendments, or whatever the exact count shows.

The Halls of Congress have heard of child labor and sweatshop conditions during this debate as though that was the rule in America and not the exception. I grant there is too much of it, because any of it is too much. And the truth is that a simple bill could have corrected those conditions—at least could have kept the products of child labor and of sweatshops out of interstate commerce.

Bring a simple child-labor act before this body and it will pass with hardly a dissenting vote. Bring a simple bill to outlaw the products of sweatshop labor from interstate commerce and they will be outlawed as the products of prison labor were outlawed. But this is not a simple, clear-cut bill. It is indefinite, hazy, possible of so many interpretations and so many standards that no man will know whether he is violating it or not.

It proposes to set up an administrator without limit on his term, presumably appointed for life, who can name committees or employers and employees and three individuals to represent the public, but easily outnumbered, who will have the power not only to recommend one standard for one industry and another for another industry, but different standards within the same industry and different standards for different institutions within the same territory doing the same kind of business. Imagine, if you can, how industry can prosper under that kind of a system. Imagine, if you can, how jobs will become more plentiful and how labor will profit in the maze and confusion that will follow such a law.

A little strychnine, they tell us, can stimulate the heart; but there is a dose that kills. Many an employer, who has struggled to pay his taxes and make ends meet, who pays the best wages he can, who is loved and admired by the workmen associated with him, will be sick at heart and ready to quit if he is subjected to the complex, uncertain, confusing conditions that would follow enactment of such a bill into law.

For, bear in mind, actual violation of labor standards prescribed under any operation of this bill would not be necessary to bring a swarm of inspectors, snoopers, and stool pigeons into any business, factory, or shop. Only a suspicion or a grudge or business rivalry or the wrong politics. Sections 11 and 12 of this proposed bill do not require the violation of the act to hail the employer into court.

They empower this lifetime administrative czar or czarina or the employees of the labor division or the committees named throughout the country to hail anyone and any records before them merely on the impression of the administrator that the person is about to violate some provision, not merely of the act itself but of any order that may be prescribed under it.

The provisions of sections 11 and 12 are unbelievable until you read them. And you are asked to accept this bill in the name of justice on the plea that it is a step in the right direction. That is not a step in the right direction. Labor can never profit from setting up a situation that will destroy its very opportunity for work. Dr. John Dewey, in giving recent impressions of Russia, has said that the mistake there is in believing—

> that the end is so important that it justifies the use of any means.

On that basis assassinations are excused, but, as Dr. Dewey points out—

> In fact, however, it is the means that are employed that decide the ends or consequences that are actually attained.

That is why this proposed fair-labor-standards bill is not a fair bill and will destroy the very ends it pretends to seek to accomplish. It should be sent back to the Committee on Labor for rewriting.

Mr. WELCH. Mr. Chairman, I now yield to the gentleman from Minnesota [Mr. TEIGAN].

Mr. TEIGAN. Mr. Chairman, the bill before us is easily the most important measure that has been considered by Congress for some time. This is true, notwithstanding the fact that it is inadequate in a number of respects.

What I have in mind in bringing it to the attention of the House is that increased purchasing power on the part of the industrial workers is important in these particulars:

First. It will raise the standard of living of thousands of workers and of their families.

Second. The increased purchasing power of the workers will obviously increase the price of farm products and will thereby improve the lot of the tillers of the soil.

Third. It will have a most beneficial effect upon business throughout the entire country.

I shall not attempt here to emphasize the importance of improving the condition of the workers. That is generally recognized and I have no doubt that the 218 Members of the House who signed the petition to withdraw the bill from further consideration by the Rules Committee, did so in the main because they were interested in raising the standard of living for the men who toil. Then, too, the discussion that has taken place on this bill and which will continue until the bill has been acted upon by the House will cover this point.

EMPLOYED SHAMEFULLY UNDERPAID

I shall merely quote what Isador Lubin, United States Labor Commissioner, in his testimony before the joint committee of the two Houses on the fair labor standards bill last June, said:

> The fact is that when we compare the amount of money spent for food by families of employed workers, with the retail cost of the items that are necessary to maintain a minimum adequate diet, we find that in some cities a third of the employed workers' families do not have enough money to buy the foods that are necessary for an adequate diet.

This in itself is sufficient indictment of conditions as they exist in industry today to justify the enactment of a genuine wage and hour measure with a definite minimum wage provided and a limitation upon the number of hours per week during which the workers may be employed.

FARMERS ASK LIVING WAGE FOR WORKERS

However, the particular thing I desire to bring to the attention of the House is that, contrary to the views that are often expressed in the press and by politicians, the farmers of the country are becoming quite appreciative of the value to themselves of labor enjoying a higher standard of living and thus increasing the latter's purchasing power.

On October 4 last a conference of farmers' organizations was held in St. Paul, Minn. Every important farm organization in Minnesota was represented at the conference. A program was adopted which it was hoped would be embodied in the farm bill then to be considered at the special session. The conference went on record also as advocating cooperation between the farmers and workers. The committee chosen by the conference to carry on the work in behalf of the program adopted state:

> In Minnesota the farmer and the worker have cooperated to win many victories. The practice should be extended to the whole Nation, for the cure for agriculture's ills must be brought about mainly on a national scale. Propaganda of the big newspapers and others trying to show that the farmer and worker have little in common should be promptly exposed. Figures show that farm income rises with income of the industrial worker, and vice versa.

FARM ORGANIZATIONS SUPPORT WAGE BILL

But not only is this the attitude of farm organizations in Minnesota; it is also the view of farmer organizations in the entire Northwest. I want to read to you a brief statement,

signed by the heads of a number of important farm organizations in the States of Minnesota, Wisconsin, North Dakota, South Dakota, and Oklahoma. The statement reads, in part, as follows:

Actual farmers know that the income of labor determines labor's purchasing power. They know also that the purchasing power of labor determines the market of farm produce. In short, farmers know that the living standards of labor and the living standards of the farmer are one and inseparable. They go up and down together. Farmers are now fighting desperately to get national legislation that would assure them an adequate income. In this fight they need the strong support of labor. Just so, labor needs the support of the farmer. The real farmers will give this support.

We deplore and condemn any attempt to divide the forces of farmers and labor. We particularly condemn attempts to make it appear that farmers are opposed to Federal legislation establishing minimum wages and decent working standards.

John H. Bosch, President, National Farmers Holiday Association, 4745 Thirteenth Avenue South, Minneapolis, Minn.; Dale Kramer, Secretary, National Farmers Holiday Association, 650 Gateway Building, Minneapolis, Minn.; George Nelson, Chairman, Board of Directors, Farmers' Union, and Vice President, National Farmers Holiday Association, Milltown, Wis.; Morris Erickson, Secretary, North Dakota Farmers' Union, Jamestown, N. Dak.; Kenneth Hones, President, Wisconsin Farmers' Union, Chippewa Falls, Wis.; Emil Loriks, President, South Dakota Farmers' Union, Sioux Falls, S. Dak.; A. W. Ricker, Editor, Farmers' Union Herald, South St. Paul, Minn.; Charles Egley, Manager Farmers' Union Live Stock House, South St. Paul, Minn.; Tom Cheek, President, Oklahoma Farmers' Union, Oklahoma City, Okla.

GOVERNOR BENSON WIRES SUPPORT

A short time ago I received from Gov. Elmer A. Benson, of Minnesota, a wire asking that I support the pending bill. His telegram reads as follows:

An attempt is being made to persuade Members of Congress from agricultural States to vote and work against passage of the Black-Connery wage and hour bill. I am sure you understand that the establishment of minimum wages and maximum hours for industrial wage earners by Federal law will increase the buying power of underfed workers and will increase industrial employment. Markets for farm products will be strengthened and extended by such legislation and farmers will benefit tremendously.

In this and many other directions the community of interest of farmer and wage earner makes it imperative that both groups and their congressional representatives work in the closest cooperation. Minnesota farmers definitely went on record in favor of such cooperation at a State conference held in St. Paul on October 4. I urge that you do everything possible to prevent predatory interests who oppose both farmers and wage earners from creating friction and discord in farmer-labor relationships. Minnesota farmers and wage earners favor immediate passage of the Black-Connery bill.

AMERICAN SYSTEM FALLING DOWN

The United States is today the most highly developed industrial nation in the world. It is rich in natural resources and has developed its machinery of production beyond that of any other country. According to our economists, we are today capable of producing $150,000,000,000 or more of income annually, provided the millions of idle men and women capable of doing work be permitted to labor at their respective trades and occupations. Inasmuch as the income for the year 1937 will be less than half of this amount, and in view of the fact that there are thousands of idle shops, mills, mines, and factories throughout the land and millions of unemployed, it is well that those in charge of affairs in Congress offer some scheme for solution of the problem.

Our first move in the direction of improving the lot not only of the workers but of the farmers as well, is to pass S. 2475. In my opinion, it will prove a practical aid to the workers and will in the end also prove of greater aid to our farmers than will the so-called farm bill that was passed here last Friday. Let us give the wealth producers of America a chance. Let us pass the pending bill. [Applause.]

Mr. WELCH. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CLASON].

Mr. CLASON. Mr. Chairman, for decades Massachusetts has been a pioneer in the field of labor legislation. Its well organized wage earners have enjoyed the benefits of steadily improved working conditions, fair wages, and progressively shortened hours of labor. From the standpoint of the skill of the workers themselves, the Commonwealth has been blessed with an abundance of men and women highly trained in well diversified industries. Massachusetts has been proud of its public schools and of its colleges, which are in a measure a development from the high standards of living of its citizens. For 15 years, at least, its wage earners, even though unexcelled in ability, have watched many of its most important manufacturing plants torn down or moved away. This was both possible and necessary because products manufactured in other States and foreign countries, where working conditions are less favorable, where the wages are lower for the same kind of work, where the hours of labor are longer each week and where the standards of living are less satisfactory, have been coming upon our home markets in ever-increasing quantities at lower costs of production.

Today, Congress is debating a national fair labor standards act. I would like to vote for such an act, one which would bring to millions of our countrymen a wider measure of happiness, a more abundant life.

For 150 years the States have controlled legislation of this nature. If Federal legislation is to be enacted, it seems indisputable to me that its purpose should be to raise the standards of living among all persons covered by any bill which is passed to the level enjoyed by the wage earners of Massachusetts. To permit one man, however well advised, or a body of five men, the power and the obligation to set up different wage schedules, different schedules of hours of labor, and different standards under which labor is to be performed in different sections of the United States or in different plants in competition with other plants in the same industry, is to allow a political agency to determine the future prosperity of one section of the country as against another section of the country, and of one group of individuals as against another group of wage earners in the same line of work.

I believe that such legislation is wrong in principle, and that the Federal Government should not exercise its overwhelming power except in a uniform manner throughout the country as a whole. It is unfair to the American citizen as an individual; it is unfair to organized labor, which has spent years of devoted effort to the betterment of the working conditions of its members. If legislation is to be enacted by Congress on this most important subject, I believe that the Congress, itself, should determine both the wage and the hour schedules.

With the purchasing value of the dollar as it is today, I sincerely believe that an adult worker, in good health, performing 40 hours of continuous labor, is entitled to receive at least 40 cents an hour for his or her pay. I believe that manufacturers generally in Massachusetts would be perfectly willing to pay wages on that basis—most wage earners in Massachusetts receive more than that amount weekly at the present time—but Massachusetts employers believe it absolutely unfair that employers in one State should be permitted to pay their workers less, or work them longer hours, than in another State.

A family's expenses for the necessaries of life today are high. They will remain high just as long as the present stupendous national debt of $38,000,000,000 exists. In order that the service charges on this great debt and the other expenses of Federal, State, and municipal governments may be met, it is absolutely certain that money must be kept cheap, in other words, of little purchasing power. Otherwise, the various tax burdens cannot be carried. Therefore, $16 is a relatively small weekly wage.

We have just passed in this House farm legislation which is bound to increase living expenses throughout the Nation. It favored the producers of five designated agricultural crops. It was sectional legislation largely in favor of Southern States. If this fair labor-standards bill is passed in a form which permits differentials in wages and standards of employment to be established, then we are again favoring these same Southern States at the expense of Massachusetts and other States which are fair to organized labor and industry alike. I am ready and willing to vote for a Federal law which establishes a national standard of wages, a national schedule of hours of work each week, and a national standard of conditions of employment, applicable on the same basis and on

the same terms to all parts of the United States. I believe that such an important law should be drawn in committee and not on the floor of the House of Representatives. For that reason, I voted against the motion to discharge the Rules Committee, believing that if the motion was not carried the Committee on Labor would again consider this legislation and remedy its many patent defects. In its final form I believe that it should provide that Congress, and not a board or an administrator, should set the wage and hour standards.

I would call attention to the text of a resolution, adopted last Friday at a meeting called by Governor Hurley in Boston, for textile manufacturers and workers, as follows:

Resolved, That this group wishes to go on record in favor of early passage of the wage-and-hour bill, providing that such legislation does not allow a differential favoring one section over another and that it forbids the employment of women and minors between midnight and 6 a. m., and that such legislation be enacted that will protect the products of American labor.

I commend it to the attention of the House in the discussion of this most important legislation.

I would further suggest that amendments be adopted to this act, whereby there shall be exempted from its provisions outside salesmen, so-called, those employed by storage companies and warehouses, and other persons engaged in handling perishable foodstuffs and other goods, and perhaps other designated classes of employees.

The manufacturers and the wage earners of Massachusetts are in accord on this point; that Federal legislation, if enacted, should not give advantages to States which permit the payment of lower wages, longer hours of labor, the unreasonable employment of women and children, and improper conditions of employment. I am firmly convinced that their demand for equality is reasonable and justified, and that they are entitled to fair and equal treatment at the hands of this Congress.

Let us enact a fair labor standards act, which will bring all wage earners in the Nation to a higher standard of living than is now enjoyed in any State. Let us not enact a fair labor standards bill which will drag down in any degree the present high standards of living now enjoyed by labor in Massachusetts and some other States, after years of continual, unremittent effort on the part of organized labor and high-minded citizens. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 3 minutes to the gentleman from California [Mr. VOORHIS].

Mr. WELCH. Mr. Chairman, I yield 2 additional minutes to the gentleman from California [Mr. VOORHIS].

Mr. VOORHIS. Mr. Chairman, I am for this bill because I believe that the bill is right. The reason I say that is because it affects, not, as many people would have us believe here today, all the employers and wage earners in America, not because it affects in any way whatsoever the organized workers of America, but because it is intended to give a certain degree of protection to a group of people who cannot speak for themselves, who are unorganized and politically and economically powerless. There is all the more reason to pass the bill because of the fact that people are unemployed today. That fact has been given as a reason against the passage of the bill. On the contrary, that is the very time when wage earners need protection more than they do at other times.

It seems to me that the fact that the American Congress is considering the passage of this legislation is evidence of the fact that there is a certain moral sense about this Government, so that when we find there is a group of American citizens who can look for protection for minimum standards to the Congress and nowhere else, then we propose to try to give it to them.

The first time you try to make a step in advance in social progress, it is always difficult to do it. There are always those who say, "We are in favor of this step, but now is not the time." There are those who say, "We are in favor of such a step, but this is not the way." There are those who say, "We are in favor of the step, but after all, you just cannot do it because it never has been done before." All kinds of objections will be found. We are attempting a new step in American Government, we are attempting to say not that we will fix the wages of all American citizens, but to say that there is an irreducible minimum below which no American citizen will be asked to work.

As a matter of fact, I am for this bill not only for the reason that it is a first step in giving protection to our poorest paid workers but because I think it is a matter of justice to those employers who have attempted to maintain good standards.

I was sent a newspaper clipping about the opening of a factory in this country, where the newspaper was proud of the fact, apparently, that the new factory in its town would have a pay roll of 900 employees and every 2 weeks the wages paid would amount to $8,000. If you will take a pencil and paper and figure that out, you will find that means $4.45 a week per person. That kind of wages is not going to give the farmers a market. It will not give the manufacturers who pay good wages a chance. I investigated that very case, and I discovered excellent evidence that this employer's wages were literally fixed for him by a mail-order house that apparently had the power to do so. That man would be glad, if he is a good sort—and I do not know but what he may be—if he could be relieved by the strong arm of the Government from that pressure.

So it seems to me there is every reason for us to attempt to the best of our ability to take this step and put a floor underneath the wages paid in the United States.

Furthermore, we must remember in passing this bill that it is important that we have adequate and workable machinery of enforcement, and it is also important that we should, when we get through amending this bill, have a bill which can be passed.

Now, finally, may I say that one of the main reasons why I am for this bill is because of the child-labor provisions. I believe the House committee has done a very excellent job on these child-labor provisions, although I believe there are one or two amendments that should be made. But the method of enforcement of the child-labor provisions, by enabling the employer who can show he is not employing children to get a certificate from the Chief of the Children's Bureau to that effect, and then to be protected against prosecution, is a sound principle, because it means in effect enforcement beforehand, instead of waiting until after a violation to prosecute.

Mr. MOTT. Mr. Chairman, will the gentleman yield?

Mr. VOORHIS. I yield.

Mr. MOTT. Does the gentleman say there is any mandatory prohibitions against child labor in this bill?

Mr. VOORHIS. Yes; I believe there is.

Mr. MOTT. Where is it?

Mr. VOORHIS. The bill provides on page 53, line 17, that there shall not pass into interstate commerce goods which have been produced in a factory or establishment in which children have been employed at any time within 30 days. This means children under 16 years of age, and in hazardous occupations it means children under 18 years of age.

Mr. MOTT. Under oppressive child-labor conditions, which the Administrator is allowed to fix and define himself, in his own discretion?

Mr. VOORHIS. Not exactly, but I will say I believe the Administrator has too much discretion. I think it should be cut down so no special certificate could be issued at all to children under 14 nor to children under 16 in manufacturing or mining.

Mr. MOTT. I agree with the gentleman.

The CHAIRMAN. The time of the gentleman from California has expired.

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from New Jersey, [Mr. MCLEAN].

Mr. MCLEAN. Mr. Chairman, ladies and gentlemen of the Committee, the measure under consideration is known as the wage and hour bill. Its purposes are (1) to establish a minimum rate of wages, (2) limit the number of

hours those in industry may be employed, and (3) prevent child labor. These objectives have a sympathetic appeal. Everyone wants those who toil to labor under proper conditions and in proper surroundings and to receive a wage commensurate with the services performed and the wealth produced. It is agreed that child labor should be abolished. Well-developed minds and strong bodies are essential to our civilization, and it is the obligation of society to develop them in the formative years of life.

This bill is an economic experiment, and, when we are struggling to find out why there is lack of employment, it is hardly the time for experimentation. Things changed after the President summoned Congress in special session. When we met on November 15 it was with a realization that, in the meantime, something had happened to retard recovery.

Business is in a state of suspense, anxiety and fear because businessmen do not know what is going to happen next. They do not know what further taxes are to be imposed, what tax adjustments are to be made, or what further bureaucratic control with its inquisitorial and bothersome features is going to be inflicted upon them by their Government.

When business was freed of the A. A. A. and the N. R. A. there was immediate renewed activity, and signs of recovery quickly became apparent. The determination to revitalize similar governmental agencies is in no small measure responsible for our present business recession.

What we need to do is to get business going, put men to work, and the hours and wages will take care of themselves. Prosperity affects employer and employee alike. If an employer has work to do, he will employ men to do it, and the more work he has to do the more men he employs, and the more men employed the greater the demand and the fewer men available, and the price of labor goes up. We can experiment with men's welfare after their welfare is provided for.

You ask me how this can be done—how confidence can be restored and expansion and development replace fear and retrenchment? First of all by the Government cooperating with business and industry; stop backbiting and agitation of class prejudice; give assurance of the Government's withdrawal from the field of private industry; reduce the cost of production by reducing taxes, by keeping the promise to reduce Government expenditures; balance the Budget; stop creating additional expensive Government agencies. We promised this, but only last week the farm bill was passed creating an expensive bureau, and another will be created by this bill. Show good faith to business by repealing, or substantially modifying, the excess-profits and capital-gains taxes. Even before they were passed businessmen called attention to the fact that these taxes would paralyze expansion and new industrial and commercial developments, and today it is obvious that what they said was true. Get the housing program started. Do not pass this bill, or begin any other economic experiment until a more appropriate time. These things, if done promptly, will start the wheels of industry and put men back to work.

The American workingman now enjoys the privilege of negotiating with his employer as to the value of his services and the conditions under which he will work. He is the master of his own destiny. Under the scheme provided in this bill that privilege will be delegated to a bureau in Washington, and with it he will surrender that much of his independence. If experience is to be taken as a guide, there is more to be gained by his negotiation directly with his employer, or through his organization, than by legislation and the tedium and proverbial red tape of bureaucratic determination.

If the bill has any value whatever, it must be as a part of an economic scheme which takes into consideration all the elements which order our lives so that we can approach—may even attain—perfection. We must begin with the basic fact that the law of supply and demand is still in force.

This law requires an approach to economic considerations that is disregarded in our deliberations today. The value of this law must be as a cog in the economic machine where all of the gears mesh harmoniously and must be made of size and texture that will bear the strain required of the several parts. It will not do to enact this law without regard to the effect it will have on its associated or coordinated activities. The laws of nature know no class or creed—constantly working, they find their level like a flood and inundate those who resist them. Until we provide some satisfactory substitute for the law of supply and demand much of the legislation we are enacting will not work and will find resistance on the part of the people which will keep our economic life in a state of turmoil.

If a manufacturer determines to produce an article for which there is a demand, his first thought is to produce it at a price people are willing to pay. His cost of production depends on the cost of raw materials, the cost of labor, and what we ordinarily know as overhead, being the interest on his investment in his plant, insurance, taxes of several sorts, and selling cost. If the price he can obtain for his article will cover these items and give him a reasonable profit, his efforts will be successful. Therefore, if you would fix the price he must pay for his labor, you must guarantee to him, and the consumer must be compelled to pay, a price which will guarantee a sufficient return to pay the compulsory wages. But that is where the scheme breaks down. While you may inflict penalties on the manufacturer, you cannot make a criminal out of a consumer because he does not buy the things you think he should at a price you require he should pay.

Anticipating this situation, the pending bill attempts to meet it by providing for the Administrator to make adjustments of wage levels, and, as to foreign-made goods, by giving the United States Tariff Commission the power to adjust import duties on foreign articles which compete with domestic articles resulting from the operation of this act.

Does it fit into a smoothly working economic scheme that costs of production should be continually artificially readjusted, and would it be consistent—as a matter of fact, can we, under the reciprocal-trade agreements by which we have guaranteed a portion of our markets to foreign nations and committed ourselves as to the quantity of goods to be imported, exclude foreign-made articles in order to make this act effective?

Valuable lessons applicable here were learned from the experience under the N. R. A. The admission is made that this bill was drafted to meet the opinion of the Supreme Court setting aside the N. R. A. That should be sufficient proof that there is an analogy between the two, and that we should have in mind in the consideration of this measure the lessons we learned from our experience in the era of the Blue Eagle and from the legislation to regiment the coal industry. The so-called coal bill was railroaded through the House, and its board of control, after less than 1 year of existence, is already threatened with investigation by the Congress which created it, and whatever effectiveness it might have had has been destroyed by a controversy as to how its patronage should be distributed. As a matter of fact, I am convinced by my observations of what has been going on that if the cloak of secrecy was removed and we could see plainly into the rooms where the professorial staff is working, we would know that the bill to regiment the coal industry, the recently enacted farm bill, and this measure are all related; written to circumvent the recent decisions which set their predecessors aside, and are a part of the program which it was intended to have sustained through the proposed packing of the Supreme Court.

During the life of the N. R. A. it appointed a board of research to observe its operation and determine how it could be improved or how it should be modified. This board was composed of celebrated economists and a large staff of subordinates and employees. Naturally, it was friendly to the philosophy of the N. R. A. It had at its disposal all of the data and information available. Its investigation and observations of the workings of the N. R. A. lead to conclusions that so far as the regulation of wages and hours was concerned, it resulted in curtailment of production, decrease in

the average standard of living, lower consumption of raw materials, including farm products and lower prices for them, geographical realinement of industry, and higher production costs for farmers. It also showed that under the attempt to fix a minimum wage, while some were raised, a substantial percentage was lowered to the minimum. This would bear out the often-repeated statement that the so-called minimum wage may automatically be fixed as the maximum.

As I have listened to the debate on this bill I have reached the conclusion that it should not be enacted at this time. A majority of those who intend to vote for it are not satisfied with it, and it is cloaked with so much uncertainty and indefiniteness and it is so much of an experiment that it ought to be defeated or returned to the committee for further study. This would be an indication to business that Congress has some understanding of present business conditions and is willing to cooperate in solving its problems. [Applause.]

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Illinois [Mr. KELLER].

Mr. KELLER. Mr. Chairman, it has been my pleasure and my very great opportunity to study this entire question of wages and hours during two long hearings on the Ellenbogen textile bill during two different sessions of this body. The original bill that came to the committee was referred to a subcommittee of which I had the honor of being chairman. We had before us interested men, laboring men as well as operators in the textile field, from all over the United States. We gathered together a great mass of information that really led somewhere. The second time we rewrote the bill in view of the information we had received during the first hearing. Then we held another long hearing and rewrote the bill a third time in view of all the decisions made by the Supreme Court bearing at all on that subject.

It was my idea then, and it is my idea now, that we ought to have gone through with the passage of the textile bill for these reasons: It is the industry that employed the largest number of wage earners; it is the poorest paid of all the industries. Had we passed that bill it would have provided the other industries of the country with something by which to judge their own industry. It would have given the opportunity through experience to learn before we enacted a general bill; and I say here without reservation that I was greatly disappointed when the report was being written for submission to the full committee that Billy Connery came to me and said: "We want you to lay the bill on the shelf for the present and see whether we can pass a general bill." I am a good soldier. I went along. I am going to go along here with whatever bill is finally presented to us for our votes, but I think as I please and I say what I think when the occasion demands it.

Everyone at that hearing and everyone else that I know of is interested in a wage and hour bill, but each of them wants it for the other fellow and not for himself.

There is no such thing as a substandard region. The idea that substandard wages exist only in the South is simply nonsense. It exists in my district and probably in the district of every Member here regardless of whether he lives in New Jersey, Massachusetts, Wisconsin, or California; it does not make a bit of difference, you have got substandards of wages and substandards of living; and it is up to us here whether we are going to stand for a continuation of it or not.

There are before this House four bills. The first one is the bill that we took away from the Rules Committee by petition, Senate 2475; the second is the bill sponsored by the Labor Committee; the third is the bill sponsored by the gentleman from Connecticut [Mr. PHILLIPS] which is the same as the Berry bill in the Senate; and the fourth is the bill sponsored by the gentleman from California [Mr. DOCKWEILER]. There is no excuse for misunderstanding the import of any of them; they are all very simple. The bill we took away from the Rules Committee is the only one of all four upon which hearings were had—any hearings at all. I want you to get that. It is the only bill which the members of the Labor Committee helped in writing; it is the only bill that any Members of this House voted to bring out for consideration; it is the only bill which a majority of the Labor Committee ever voted to report to the House. All of the others are last-minute suggestions that no one has had time to study as bills should be studied before presentation to this House for consideration.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. KELLER. No. I beg the gentleman's pardon. I will gladly yield when I have concluded the main part of my remarks. I speak especially of the bill sponsored by our chairman, the baby she said she found on her doorstep, the poor little foundling which has no birth record, which has no mamma and no papa; and which, in all fairness to the child as well as to its parents and to the public at large, ought to be sent to a foundlings' home until it is old enough to show whether it has a sound body and sane mind before asking anybody to adopt it. In the meantime, we ought to seek its parentage, try to find out who is responsible for bringing it into the world. The House is no foundlings' home, in my judgment, and I hope that we promptly reject that bill which is known as the committee bill, for which 9 members of the committee out of 21 voted, and no more.

The bill we took away from the Rules Committee, the bill which resulted from the joint hearings of the House and Senate, 3 weeks of public hearings and 3 weeks of study devoted to it thereafter by members of the Labor Committee, is the only bill, in my judgment, that ought to be considered here, because it is the only one that has been brought out and given the hearings, given the attention, given the consideration that a justifiable bill ought to be given. A bill that is rushed out here at the last minute is bad in spite of the poor little amendments that we put forward here, sometimes to our great disadvantage and discredit; more so when you bring out a whole new bill at the last moment, for no one is smart enough to write a bill in that way.

But any bill is better than no bill. [Laughter.] Get that. There is just one thing worse: No bill; that is the worst thing of all. The one thing that we ought to remedy as quickly as possible is the uncertainty that seems to make business jittery. Everybody knows we are going to have a wage and hour bill; so, the sooner we pass one the better off business is going to be, because it will remove the uncertainty; and it will not be removed until we do pass some bill.

If you let it go over until another session, we extend that uncertainty.

I want to call the attention of the Members of the House to an amendment which can be applied equally well to any bill we may finally bring up for passage. It will be presented by its author, a new Member of the House, the gentleman from North Carolina [Mr. BARDEN]. The amendment provides for a gradual increase of substandard wages, and I call it to the attention of the Members of the House who believe they are getting the worst of something It will solve the entire question of differentials, both for the North and for the South, to the great advantage of employees and employers and the people generally in the whole United States.

The bill we took away from the Rules Committee is the only one of the four that should be considered here. I am against the Johnson-Wheeler child-labor provision because it is wrong in conception and should not be considered as a part of a bill that is supposed to prevent child labor in America. When the time comes for presentation here there will be no difficulty, I think, in convincing the House of that fact.

I call attention to the fact that those who object to this bill for one reason or another invariably fail to specify just what they are for. When you are put on the spot, you will not hesitate. You will say you are for a wage and hour

bill or you are not, one of the two. Then you can go home and explain it to your constituents, which you have a perfect right to do. I do not criticize a man for having an opinion and expressing it. It is the man who fails and refuses to do that whom I criticize. Those people are like the Arkansas traveler and the leaky roof. It was raining very hard and someone asked him why he did not fix the leaky roof. He replied, "When it rains you cannot do it and when it does not rain you do not need it."

My friend here from Michigan, who astounded me by his reasoning, brought out the idea that this is no time to do it. Well, if we were getting along fine, of course, he would be perfectly well justified in saying that was not the time to do it. It is just a case of the Arkansas traveler moving over to Michigan.

Those who object to a necessary means of enforcement ought to know that a law does not enforce itself, more especially the new laws which apply to the new philosophy of life in this world of ours. [Applause.]

Mr. WELCH. Mr. Chairman, I yield such time as he may desire to the gentleman from Alabama [Mr. HOBBS].

Mr. HOBBS. Mr. Chairman, the pending bill should be entitled, "A bill to enslave labor, to increase unemployment, to reduce the number of jobs, to multiply the evils of 'technocracy,' to level wages downward, penalizing the skilled for the benefit of the unskilled, the energetic for the lazy, to kill all labor unions and collective bargaining, to shut down all business and industries competing with the tariff-protected and freight-rate-favored East, to drive western and southern businessmen and industrialists back between the plow handles—looking at the east end of a west-bound mule." [Applause.]

These are the ill-concealed purposes of the proposed legislation.

The proponents of this measure would set up here a despotism—above and beyond the control of the President or the courts—having autocratic power over both capital and labor.

Of course, they say that many groups such as farm labor have been expressly exempted from the operation of the act. But the underlying purpose is made clear by the fact that originally, when the bill was first drawn by the "brain trust" and handed Congress for enactment, there were no such exemptions. The adverse reaction to the bill made it necessary for the proponents to trade with group after group, giving them each, successively, exemption in exchange for support. So that now what was at first a monstrosity has been reduced to something less grotesque only by comparison, when out of the possible 60,000,000 workers whom it was claimed to benefit, 58,000,000 have been exempted. All they are asking now is to be permitted to put the camel's head under the tent—later they will see to it that his whole body comes in.

After all is said and done, under our American system, business and industry must make a profit, or else cease. So, aside from all the other aspects of the problem, it is absurd to legislate a "floor" for wages and a "ceiling" for hours, wholly without regard or reference to what the business traffic will bear. [Applause.]

One of the favorite arguments in support of this bill is that its enactment will infuse purchasing power into the masses of underpaid labor. If this were one of the purposes of the bill, or if the proponents really believed their argument, why did they exempt the largest, most grossly underpaid, and longest-working group in America—the laborers on our farms?

Why do they exempt domestic servants? The next largest group? The answer to these questions is perfectly and instantly clear. The allegation of increasing the purchasing power of the masses of underpaid labor is but a sham and catch phrase to cover the cunningly hidden purposes of this bill. The American people love freedom and insist upon personal liberty. Our forefathers came to this continent to escape tyranny. Domestic servants and farm laborers and their employers do not desire and will not stand for such interference with their constitutional rights and liberties, nor for autocratic control over their personal, individual, private affairs.

Employers everywhere recognize the fact that the higher the wages which can be paid, the better off everyone will be for, of course, an increase in wages increases buying power of the consuming masses. Therefore, in this enlightened age all of us have come fully to recognize the truth that essentially we are all in the same boat and have a common interest in maintaining the highest possible standard of living for all. This is demonstrated in every section of our great Nation. Wherever it is possible to make a sufficient profit out of any enterprise to enable it to survive and pay a reasonable return upon the invested capital, you will find that enterprise paying much more in wages than the proposed minimum.

Of course, the farmers have to buy practically everything they purchase in a "protected" market—from the beneficiaries of the tariff—which increases the cost of their purchases some 45 percent on the average. The farmers have no tariff for their protection and so must sell their products in a free market. Preferential freight rates for the same tariff-favored class further discriminate against the farmers of the Nation by an average of some 39 percent. As a result of these twin frauds—high tariffs and low freight rates—the average income of the American farmer is less than half of the average income of the man in the favored class. [Applause.]

How can the cotton farmer in Alabama, for instance, whose average annual income from cotton—his major crop—is only $200, pay a decent living wage to any employee? The same thing is true in other lines of business. There is no sense in requiring the impossible. Wipe out the unjust discrimination and you will find that wages will rise and hours be shortened without coercion of any kind, much less the kind proposed in this bill.

The platform of the Democratic Party adopted at Philadelphia in 1936 is invoked as authority for this infamy, but of all the arguments based upon this premise, not one has dared quote the words of the platform on this subject. The platform indicates cooperation with the sovereign States, not destruction of their sovereignty. Neither the party nor any Democrat is pledged by that platform to support any such vicious violation of the constitutional guaranties. [Applause.]

There is nothing in this or any other platform of the Democratic Party which pledges the party to any such assault with intent to murder industry and enslave labor. [Applause.]

The unconstitutionality of this bill is frankly admitted by many of its supporters—it can hardly be denied. The only vestige of authority for even the asserted purpose of the bill is that giving Congress the right "to regulate commerce with foreign nations and among the several States, and with the Indian tribes." Nothing is further from the minds of the proponents of this bill than to limit its operation to a bona fide regulation of interstate commerce. The real purpose of this bill is to take the first step toward the complete regulation of all wages and hours. It is a product of that type of insanity known as paranoia, of which the inflated ego is the major symptom. This bill is an evidence of the Messianic complex. Its proponents pretend to believe that one man or a board in Washington will be so omniscient as to regulate equitably everything within the practically unlimited power granted. The Supreme Court of the United States in the Schechter case has already, by analogy, condemned this bill in most of its aspects as being unconstitutional and void. The later cases involving the question of the constitutionality of the Wagner Labor Relations Act do not militate against the conclusion announced in the Schechter decision, nor qualify it. There is granted in the Constitution no such

power as that which this bill seeks to exercise. Our oath binds us to uphold the Constitution. [Applause.] The Nation is safe only if we do. [Applause.]

God of our fathers, known of old,
Lord of our far-flung battle-line,
Beneath whose awful Hand we hold
Dominion over palm and pine—
Lord God of Hosts, be with us yet,
Lest we forget—lest we forget!

If, drunk with sight of power, we loose
Wild tongues that have not Thee in awe,
Such boastings as the Gentiles use,
Or lesser breeds without the Law—
Lord God of Hosts, be with us yet,
Lest we forget—lest we forget!

Eight score and one "years ago our fathers brought forth upon this continent a new nation, conceived in liberty, and dedicated to the proposition that all men are created equal." So spoke the great-hearted Lincoln in dedicating the field upon which was fought the decisive battle of the War between the States.

The Battle of Gettysburg was fought by men in uniform, thousands of whom were killed in the slaughter of those 3 bleeding days.

Today, as representatives of the sons of the sixties, we meet again on a great battlefield of another war between the States. We are not in uniform. This "Big Bertha"—the wage and hour bill—aims to destroy the foundations of our Government and of our economic structure, rather than quickly kill those on the other side. As one of the issues decided by the then arbitrament of war was slavery, so slavery is one of the issues to be decided by the outcome of this war. Then the slavery of the colored man was destroyed, once and for all time, thank God. Now, by this bill, it is proposed to enslave all labor without regard to race, color, previous condition of servitude, their constitutional rights, or our oath of office. No matter whether by an oligarchy in the guise of a Labor Standards Board or by a king called an administrator, this bill proposes to set up an absolute despotism over the lives and liberties of the working men and women of this Nation.

Of course, it may be contended that the despotism thus sought to be enthroned will be benevolent—that the purpose is to benefit those over whom it is to exercise its dominion. But such a contention evidences a complete forgetfulness of the bitter lessons of history. What tyranny has ever been established which did not proclaim itself benevolent? Does not every dictator shout himself hoarse in protestations of friendship for the masses, while his chains are being shackled on their necks?

But even if it could be thought that the first dictator or dictators to assume the powers conferred by either of the committee bills, would be partial to labor, what of the successors? Who can give any assurance that the pendulum may not swing to the other extreme in the next administration, or the next, or the next? Once rights are surrendered, they are gone.

The moving finger writes; and having writ,
Moves on: nor all your piety nor wit
Shall lure it back to cancel half a line,
Nor all your tears wash out a word of it.

The conclusion of the excellent analysis prepared and submitted to us by the American Federation of Labor dealing with the bill which the Labor Committee of the House is submitting as a substitute for the Black-Connery bill is challenging, and I beg your careful attention as I quote it:

PART III—CONCLUSION

All the objections which exist against the administration of the act by a board, and all the dangers inherent therein, exist in aggravated form under the set-up of the Administrator; this for the reason that in the case of the board there are five minds functioning of persons selected from different localities, and with a representative of labor thereon. The principle of checks and balances therefore may apply in the case of the board, but not in the case of one administrator. If the board is dangerous, even under such circumstances, and unacceptable, certainly the Administrator is even more dangerous and should be rejected.

In the proposed set-up of the Administrator, moreover, there is a special provision that—

"The Administrator is authorized to administer all of the provisions of this act as otherwise specifically provided, and his determinations and labor standard orders shall not be subject to review by any other person or agency in the executive branch of the Government." This provision should be considered with the provision "The review by the court shall be limited to questions of law; and findings of fact by the Administrator, when supported by evidence, shall be conclusive unless it shall appear that the findings of the Administrator are arbitrary or capricious."

These provisions apparently were intended to create an independence in the Administrator to reinforce his power and to make him immune from any reorganization bill or any other influence from the President or otherwise, and to make him subject to judicial review only under circumscribed conditions not involving his discretion. He therefore would have in his control the power to destroy entirely industrial organizations, communities, labor unions, collective-bargaining agencies, and determine the conditions under which these respective communities, organizations, and agencies shall function or shall live.

But this ignores many of the dangers to the cause of labor which are implicit in these bills.

It is certain that the enactment of any such bill will result in the closing of many plants, which, for various and sundry reasons, would be unable to survive any wage increase or decrease of hours. This would mean increased unemployment and the reduction of the number of jobs, which, while not attractive, yet now provide a living, such as it is, for many of our fellow citizens.

Another inevitable result would be to penalize the skilled for the benefit of the unskilled, by a general leveling down of the wages of the skilled to meet the necessity created by the increase of the lowest wages caused by the minimum-wage requirement. The experience with just such measures, not only in ancient but also in very modern history, proves the truth of this assertion. The skilled workers in Russia, Italy, and Germany today bear mute testimony that this byproduct cannot be avoided, and that the average of all wages is not raised by fixing a minimum.

Another effect which would surely follow would be the stimulation of the trend toward mechanization of industry. Machines would still further add to the number of the unemployed. Thus the evils of technocracy would be multiplied.

But over and above all these dire consequences would come, as certain as night follows day, the abolition of the principle of collective bargaining and the doom of all organizations which exist for the benefit of labor. Labor's cause, in every case, if any such bill should become law, must be submitted to political despotism for determination—no amount of pleading by its own chosen spokesmen could change the edict of the dictator. His decrees would be governed only by the political complexion of the administration under which he might be serving.

The issue here to be decided is of transcendent importance. It includes questions like these: Shall one favored section further enrich itself by impoverishing the other three-fourths of the Nation? Shall human slavery be reestablished in the United States? Shall we attempt to legalize robbery? Shall we ignore our oath of office and try to trample the Constitution and the sovereignty of the States into the mire of overweening selfishness? [Applause.]

Whatever may be the fate of this bill, my hope, my prayer, is that a majority of us will join in saying to the proponents—paraphrasing the words of the Great Commoner—You shall not press down upon the brow of labor this crown of thorns, you shall not crucify the body of our freedom upon a cross of greed. [Applause.]

Mr. WELCH. Mr. Chairman, I yield 5 minutes to the gentleman from Michigan [Mr. HOFFMAN].

Mr. HOFFMAN. Mr. Chairman, the reasoning of the gentleman from Illinois is always interesting to follow. The gentleman made the statement that any bill is better than no bill at all.

If we apply the same thought, follow the idea to its conclusion, we are given to understand that the fires of hell are better than no fire at all.

There may be one reason why this bill should receive the support of the administration.

If it be true that the campaign contribution of more than $600,000 of John L. Lewis and his affiliated unions to the reelection of the President was based upon a justifiable understanding on the part of Lewis that when labor legislation was considered the debt was to be repaid, then those who follow the administration through thick and thin, hell and high water, should vote for this bill.

That Lewis has such understanding is very evident from his statement, made during the course of the sit-down strikes, when he said:

> The administration asked labor to help it repel this attack and labor did help the President to repel the economic royalists. These same economic royalists now have their fangs in labor and labor expects the administration to support the automobile workers in every legal way in their fight.

Some thought the debt had been repaid by the action of the President's Governors—Murphy of Michigan and Earle of Pennsylvania—when they set at defiance the laws of the land and by force and arms drove honest toilers from their places of employment and deprived them of their means of making a livelihood.

It is evident that Lewis did not consider the debt fully paid. Notwithstanding this tremendous aid given to his cause by four departments of the Government and the activities of the head-hunting N. L. R. B. and the activities of the witch-burning Senate Civil Liberties Committee—and that aid contributed in no small measure to the success of the C. I. O. organizing campaign—he still later, when public opinion force a temporary lull in the C. I. O.'s and the Government's attack upon the American Federation of Labor, the independent worker, and industry, demanded his pound of flesh. He expressed that demand in no uncertain terms. He said:

> It ill behooves one who has supped at labor's table and who has been sheltered in labor's house to curse with equal fervor and fine impartiality both labor and its adversaries when they become locked in a deadly embrace.

And here we are. And the pound of flesh is to be cut from the heart of American labor, even though free labor be bled to death.

A political debt is to be paid and, as usual, paid at the expense of the toiler, the man least able to make payment.

Promises should be kept; but there comes to mind that statement of Shakespeare:

> It is a great sin to swear unto a sin, but greater sin to keep a sinful oath.

Then, too, it sometimes happens that a Shylock demands overpayment; and like Shylock of old, Lewis now, demanding his pound of flesh, should be reminded that he does not represent all labor and that he does not even truly represent all of C. I. O.; that, as a matter of fact, he represents but a very small proportion of the 48,000,000 men who toil with their hands and earn their bread in the sweat of their faces.

Hence, with Portia, may we well say:

> Take then thy bond, take thou thy pound of flesh,
> But, in the cutting it, if thou dost shed
> One drop of Christian blood, thy lands and goods
> Are by the laws of Venice confiscate
> Unto the state of Venice.

If needs must, let Lewis have his pound of flesh, if he can get it without destroying the freedom of the worker; without forcing the farm hand to purchase the high-priced products of the well-paid factory worker, while themselves subject to unfair labor competition.

But demand that, in taking his pound of flesh, Lewis shall not deprive the isolated, independent, unorganized workers of their sources of employment and destroy the business of the small manufacturer.

Under a banner which bears the legend, "An act to provide for the establishment of fair labor standards in employments in and affecting interstate commerce, and for other purposes," as, in the farm bill which was advanced as an aid to the farmer, fraud and deception cover the granting to departments of the Government of arbitrary power which will destroy the opportunity and the freedom of the citizen, tend to create monopoly and tend, if I may use that emotion-stirring phrase of those who style themselves progressives, "to make the rich richer and the poor poorer."

There are two very good reasons why this bill should not be enacted. The first has been referred to. It is the centralization of power in the hands of a bureaucratic department. That method has been tried and it has been demonstrated that it not only results in the destruction of the freedom of the citizen, but brings disaster to enterprise and creates strife and unemployment.

Speaking of the centralization of power here in Washington, the President said:

> In the hands of a people's government this power is wholesome and proper. But in the hands of political puppets of an economic autocracy such power would provide shackles for the liberties of the people.

Since those words were uttered, we have had a demonstration that those powers centered in Washington have fallen into the hands of "political puppets," and that the liberties of the people are being destroyed by those who wield these powers.

I need not quote those unfriendly to the administration. Let me produce the evidence from the administration's friends and former friends.

It has been the proud boast made on the floor of this Chamber by the administration's supporters that labor was a unit behind this administration. Yet the activities of the National Labor Relations Board have been such that the American Federation of Labor has denounced it as the mouthpiece of the C. I. O. and John L. Lewis.

And Lewis, if last night's Washington papers be correct, charges it with having altered some of its findings made in favor of the A. F. of L. because of criticism by the A. F. of L.

On December 7 Gov. Charles H. Martin, of Oregon, moving to end the 118-day tie-up of the Portland lumber industry growing out of a decision by the N. L. R. B. in favor of the C. I. O., pledged himself to end the threat of "gangsterism" in Oregon, and demanded that the "damned Labor Relations Act should be thrown off the books" or "if that can't be done, it ought to be drastically amended."

The activities of the N. L. R. B. in Oregon have brought to that State the distinction of having an employer, the Inman-Poulsen Co., picketed by both the American Federation of Labor and the C. I. O.

The Governor said:

> Homes of workers have been stoned, men slugged and beaten, women and children have been threatened and intimidated by the hired thugs and gun squads that have taken part in the unholy and unnecessary warfare. The people of this State will no longer tolerate the implications of anarchy and disregard for law and order.

The N. L. R. B. has acted so arbitrarily, so unfairly, it has persecuted those who furnished employment so viciously and so continuously that it has established a reign of terror throughout the land, until, like a blinding, choking dust storm, it has stifled all business enterprise.

It has lost the confidence of all the people. Because, acting with the Senate Civil Liberties Committee, it has improperly taken part in the organizing activities of the C. I. O., and because of its attack upon the American Federation of Labor, it has incurred the justifiable animosity of that organization.

When the record forced it to make a few decisions favoring the A. F. of L. and finding against the C. I. O., Lewis turned on it and charged it with yielding to improper influences.

Like every individual or body which is guided by expediency rather than by principle, it finds itself without one true friend.

Even though the payment of the political debt be demanded, Lewis should not be permitted to kidnap labor, place it in the custody of the Secretary of Labor, Mme. Perkins, hold it to ransom until it pays initiation fees and dues, even

though a part of those fees find their way into the New Deal campaign fund.

It is laudable to attempt to provide a minimum wage and a maximum hour, but it is essential that in making the attempt we do not accomplish a result which will leave the worker in worse condition.

It is in motors, in steel, in General Electric that shorter hours and high wages prevail. Have you ever considered the reason? Executive ability, vast resources, mass production, high efficiency, turn-out, although wages be high, a greater quantity of goods at less cost than can otherwise be produced.

Do not make the mistake of believing that this result is accomplished because of the high wages. It is the combination of resources, executive ability, and a continuing improvement in production methods that enable the payment of a high wage.

The establishment of a 40-cent rate, of a maximum 40-hour working period, will in no way affect steel, General Motors, General Electric, or any other large concern. It will, if the bill will do what its supporters claim, affect every small manufacturer, every worker in small city, village, and on the farm.

The inevitable result will be this: A tendency always to establish mass production and to drive labor into mass-production centers, with the consequent destruction of the small business enterprise, the loss of employment in the smaller communities; the inevitable creation of a monopoly.

We have heard complaint against mass production, against the chain stores, against big business. Yet those who have complained so bitterly are back of this bill, when, if they consider, they must realize that in the end its passage must work harm to the independent worker, to the man who toils in the small factories, to the store owner; in fact, to all of those who are not employed in the great industrial centers; and that it will add to the wealth of the Sloans, the Girdlers, the Motts, the Fords, whom they so roundly denounce.

Mr. WELCH. Mr. Chairman, I yield 2 minutes to the gentlewoman from Massachusetts [Mrs. ROGERS].

Mrs. ROGERS of Massachusetts. Mr. Chairman, in rising today may I say I have no bitterness of feeling for the South. Many of my best friends are southern Members, or I at least hope they are, and I feel friendly toward them. Some of the finest letters I have ever received in my life came from southern people.

I think when the southern Members make the statement they cannot compete with the same minimum all over the country they are being unfair to labor in other States. The labor of their own States has proved that they can compete with labor in every other part of the country. It is absurd to imply that the southern operators are not capable. In my own district I have the finest and most skilled labor of any section of the country. Of course, that has come from years of training. Even in the woolen industry the South is competing with the North and taking away our woolen industry due to the lower wages that it pays.

Mr. Chairman, I want to pay a tribute to the women of Lowell of 100 years ago. The picturesque Lucy Larcom, with her poems and her writings, did much to bring prestige and honor to Lowell women in industry. The gallant Sarah G. Bagley, who formed the Lowell Female Labor Reform Association, was the pioneer in labor reform activities. As long ago as 1845 she appeared before a legislative committee in the statehouse in Boston, petitioning for the establishment of a 10-hour day. Her efforts showed results. The first to really organize were the women of Lowell, afterward followed by the organization of the men. These women worked steadily for the betterment of women; their success made easier the task of the men workers in industry. The first cotton textile mill in this country was started at Lowell, the city which I have the honor to represent and the city where I live. Massachusetts had the first enforceable hour law for women and children, enacted in 1879. Massachusetts was the first State of the Union to have a minimum-wage law. We have the best labor laws of our section of the country. What a step it has been from the 60 hours or more a week of the olden days to the 48-hour week of today. What a change has taken place in the actual working conditions in the mills themselves. All of this is for the good of the whole, and any piece of labor legislation which is fair to both sides—the employer and the employee—will always have the support of Massachusetts. Those of us who come from that great Commonwealth know that our workers are the best paid, most skilled, and most loyal of any section of this country. They know that many other sections of the country have got to go a long ways to match the labor laws of Massachusetts, to protect the workers as do the laws of our Commonwealth. In maintaining these fair conditions some of our industries have been beguiled away by inducements of lower wages and longer hours. If the industries had the same minimum wage all over the country, I believe it would be of great advantage to Massachusetts. We would then be competing on fair terms.

Mr. Chairman, I am definitely and unalterably opposed to wage differentials. Our workers should be treated the same in all sections of the country. I favor the bill which will give our workers an even chance with the workers of other sections of the country. I cannot see why the South, with its natural advantages of raw materials, should be given the added advantage of lower wages. I plead with all of you, those of the South and those of the North. May I tell the southern Members, who go back to years ago, that my forebears, too, lost everything they had in the Civil War. We knew what suffering was as the result of that war.

Mr. Chairman, I ask for an even chance for our people. [Applause.]

[Here the gavel fell.]

Mrs. NORTON. Mr. Chairman, I yield 10 minutes to the gentleman from Georgia [Mr. RAMSPECK].

Mr. RAMSPECK. Mr. Chairman, when the general debate on this measure is completed the chairman of the Committee on Labor will offer a committee print as an amendment, after the reading of the first section of this reported Senate bill. I presume somebody will then offer the American Federation of Labor bill as a substitute for the chairman's amendment. The parliamentary procedure then, as I understand it, will be to proceed by perfecting amendments to perfect the two conflicting versions of this bill, and then vote as between those two. After one of them is voted down, then another substitute may be offered, and so we will proceed until we finish the consideration of this bill.

Mr. LUCAS. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. I am sorry, I do not have the time.

I want to direct my discussion in the few minutes I have to two measures which I believe will be before the Committee during such parliamentary procedure. First, there will be the committee substitute, as I shall call it, changing the administration of this bill from an independent agency, a five-man board appointed by the President, to an administrator in the Department of Labor. If you will read carefully the committee substitute, you will find the real power lies not in the administrator but in the so-called wage and hour committees which he appoints for each industry where he believes it is necessary to have wage and hour orders.

In Senate Document 65 of the Seventy-fourth Congress you will find, beginning on page 6, a discussion by the Supreme Court of the question of delegation of legislative power; and from page 10 I want to quote this language from the decision of Chief Justice Hughes in referring to code authorities:

> Could trade or industrial associations or groups be constituted legislative bodies for that purpose because such associations or groups are familiar with the problems of their enterprises? And could an effort of that sort be made valid by such a preface of generalities as to permissible aims as we find in section 1 of title I? The answer is obvious. Such a delegation of legislative power is unknown to our law and is utterly inconsistent with the constitutional prerogatives and duties of Congress.

The question, then, turns upon the authority which section 3 of the Recovery Act vests in the President to approve or prescribe. If the codes have standing as penal statutes, this must be due to the effect of the Executive action. But Congress cannot delegate legislative power to the President to exercise an unfettered discretion to make whatever laws he thinks may be needed or advisable for the rehabilitation and expansion of trade or industry. (See *Panama Refining Co.* v. *Ryan*, supra, and cases there reviewed.)

I believe if you will read this Senate document, and especially the section dealing with delegation of legislative power, you will come to the conclusion I have reached, that the delegation of power to the wage and hour committees set up under the new draft of this legislation goes beyond any power which Congress has to delegate its duties to a body not connected with the Government. [Applause.]

I have other objections to this version, and I regret I cannot go along with the majority of my own committee, who have adopted this substitute.

Coming back to the question of the American Federation of Labor bill, which purposes to set up a rigid minimum wage of 40 cents an hour and a rigid maximum of hours at 40 per week, or an absolute minimum of $16 per week; if you will read part I of the hearings before the joint committees of the Senate and the House on this bill you will find on page 20 of the hearings that the gentleman from Illinois [Mr. KELLER] asked the following question of Mr. Robert Jackson, Assistant Attorney General, who presented the legal phases of this matter to the committee and helped draft this bill:

Representative KELLER. It would require very considerable time, would it not, for this board to set the different minimums for the various divisions of our industries?

Mr. JACKSON. I suppose it would take some time. I would not know just what time it would take, but it would take time, of course.

Representative KELLER. Why not set some such minimum wage in this bill which would act as a minimum until a fair minimum wage could be established by the board?

Mr. JACKSON. Well, if you did that you would run the risk of setting a minimum which would be in some particular case a great hardship, and of having your right to fix a minimum tested in the courts under its most unfavorable aspect as a violation of due process.

It is my contention and my belief that under the supposed A. F. of L. bill you would fix a minimum wage of a rigid $16 per week, and some employer would take the case to court and would prove you had imposed upon him the obligation and the duty of paying a wage without any regard whatsoever to the value of the services rendered. You would find some hardship case where it could be proved that the services were not worth $16 a week, and the Supreme Court would necessarily have to invalidate your statute under the due process clause of our Constitution.

For that reason I say to the members of the committee that I hope when this matter is considered we may go back to the bill with the five-man provision, which was carefully considered both by the Senate committee and the House committee, passed by the Senate, adopted by the House committe, and reported to this body last August. It gives every possible consideration any employer might desire to every phase of this matter. It gives hearings back home, where the little employer and his employees may be heard without having to bring employers, employees, their representatives, and their lawyers to Washington at great expense. It gives consideration to differentials, not to geographical differentials but to differentials based upon facts. There could be differentials in the same city, in the same county, and in the same State if the facts warranted the board in fixing a different wage because of different conditions. It is my conception of the type of law we ought to have, it is my conception of what the President asked us to pass, it is a bill which takes into consideration the different conditions in different sections of our country, a bill which would gradually approach the ideal the President discussed in his message. If you will read the President's message, you will find he has no thought at this time of any rigid minimum of 40 cents an hour or a rigid 40-hour week and specifically so stated; and he reiterated it in his message at the opening of this session of Congress.

Mr. GRISWOLD. Mr. Chairman, will the gentleman yield?

Mr. RAMSPECK. Yes; I yield to the gentleman from Indiana.

Mr. GRISWOLD. Will the gentleman explain where the line of demarcation is between the delegation of power to an administrator under the Labor Department and to the board as set up under the other proposal?

Mr. RAMSPECK. There is quite a difference, I may say to the gentleman, between delegating power to an independent agency of the Government and delegating power to a voluntary wage and hour committee composed of employers and employees, who may be fixing wages and hours for their own competitors. The courts have gone much farther, I may say to the gentleman from Indiana, as he knows, being a good lawyer, in upholding the delegation of power to independent commissions like the Interstate Commerce Commission, the Federal Trade Commission, and others of that type, than they have ever gone in upholding delegations of power in other instances.

Mr. GRISWOLD. It is true they held invalid the delegation of power to the code authorities under the N. R. A. is it not?

Mr. RAMSPECK. Yes; they certainly did, and I think for the very sound reason that there we were delegating power to code authorities, not to an agency of the Government. We did not have the power lodged where it ought to have been, and we did not place proper limits or directions in the act.

Mr. Chairman, as I have stated on a previous occasion, I am not an advocate of wage and hour legislation. If I could have my way about this subject, I would like to see all of the employers of our Nation say to their employees, "We will meet at the conference table with your chosen representatives and settle problems of hours, wages, and working conditions by mutual consultation and agreement."

If all employers had accepted the Supreme Court decision in the National Labor Relations cases with a desire to make the National Labor Relations Act succeed, I feel sure that we would have had no demand for this legislation.

All laws are made to control a minority, a small percentage of our population which acts in a selfish manner and refuses to do that which we know is best for all of us.

It is my belief that a large majority of the employers of our country do not wish to exploit labor; that they want to pay adequate wages and maintain reasonable hours. They are in competition with the minority, to whom I have referred. This unfair competition from the chiselers eventually drives down the wages and lengthens the hours in commerce and industry.

Under the N. R. A. we made great progress toward more adequate wages and more reasonable hours. The minority was forced into line for the time being. Since that act was invalidated we have seen a gradual trend toward lower wages and longer hours on the part of this minority. From this trend has come the demand once more for action by the Government.

While I would prefer to see this matter handled by mutual agreement between employers and their employees, I have expressed a willingness to support legislation of this type, provided, when the vote on final passage is reached, the form of the legislation appears to me to be reasonable and fair to management, to labor, and to the consumers.

Before going into a discussion of the contents of the proposal let us review the history of this suggestion.

In May of this year the President sent a message to Congress asking consideration of this subject. In discussing the matter he called attention to the fact that businessmen could not act unanimously because they had no machinery for agreeing among themselves and for the further reason that they had "no power to bind the inevitable minority of chiselers within their own ranks."

Later in his message the President said:

A self-supporting and self-respecting democracy can plead no justification for the existence of child labor, no economic reason for chiseling workers' wages or stretching workers' hours.

In another paragraph the President said:

Even in the treatment of national problems there are geographical and industrial diversities which practical statesmanship cannot wholly ignore. Backward labor conditions and relatively progressive labor conditions cannot be completely assimilated and made uniform at one fell swoop without creating economic dislocations.

It will be observed therefore that the President had in mind a gradual adjustment of existing conditions and that he was moving against the chiselers.

The Senate and House Labor Committees in joint sessions held public hearings on this subject for 3 weeks, meeting both mornings and afternoons. Full opportunity was given for everyone to be heard. These hearings covered the entire field. We heard from employers, organizations of employees, trade associations, economists, and many others.

After the hearings ended both committees, acting separately, gave days and days of careful consideration to the matter. The Senate acted first, due in part to the unfortunate death of our beloved friend, the chairman of the House committee, the late Representative William P. Connery, Jr.

With our new chairman [Mrs. MARY NORTON] presiding, the House committee resumed its consideration, and while that was in progress the Senate passed the bill by a vote of 2 to 1. Then our committee made numerous amendments to the Senate bill and reported it to the House early in August. A rule was applied for but never granted. From time to time since then the committee has given the matter further careful consideration.

It has been charged that the matter has not had sufficient consideration. Does anyone contend that the delay from August to the present time has made this proposal any more agreeable to those who oppose it? I think not. In fact, the changes made recently are no less objectionable to business and organized labor and are more objectionable to me.

Mr. Chairman, I am not in agreement with the action of the committee in proposing an administrator in the Department of Labor in lieu of the five-man board proposed in the bill as originally reported.

The five-man board would be appointed from five sections of the country, thus giving representation to all sections. It would have lodged in it the real power which the bill contained to regulate minimum wages and maximum hours. That power would be in this semijudicial board, an independent agency of our Government.

Under the new proposal the real power is vested in wage and hour committees not a part of the Government. That is delegating legislative power to a nongovernmental agency. In my opinion it goes beyond the power given to code authorities under the N. R. A., and the Supreme Court held such delegation of power to be beyond the authority of Congress.

In the bill as reported last August the board was required to hold hearings at points as near as practicable to the principal place of business of the employer. That insured an opportunity for hearing to small employers and their employees. The new plan provides for hearings in Washington only.

We now have two examples of the mistake of placing regulatory agencies under a Department without giving that Department authority over such agencies. I refer to the Bituminous Coal Commission and the Housing Administrator under the Department of the Interior. I am reliably informed that in both cases friction has arisen.

Mr. Chairman, I cannot support this new proposal. It makes no provision which insures proper consideration for the differences that exist in various sections of our country. It would require employers and representatives of their employees to incur the expense of coming to Washington for hearings. It empowers wage and hour committees to call witnesses and to delve into the records and affairs of employers and of organizations of employees. Remember that these committees are not public officials, but on the contrary might be competitors of those whom they can investigate under this plan.

IS THIS DIRECTED AT THE SOUTH?

Mr. Chairman, some of my colleagues make the charge that this proposed legislation is directed at the South. I find nothing to substantiate that attack. They first said it was hatched in the brain of radical organized-labor leaders. When it developed that organized labor was not enthusiastic about the bill, they shifted their attack and placed the blame on eastern employers. When these employers came out against the bill, they charged that some sinister intellectuals with red leanings were the dark, deep plotters against our section of the country. They appear to be satisfied with conditions as they are in the South. I am not. They claim that it costs less to live in our warmer climate and therefore our workers should get less. They claim that our workers are less productive and therefore should work longer hours. They say we do not have modern machinery and therefore cannot compete with the highly mechanized industry of other sections. Let us see what provision the bill makes for the consideration of such facts, if they should exist.

First, take the cost of living. If it costs less to live in the South, the bill provides that in fixing wages such fact shall be taken into consideration. If it actually costs less to live in the South, why should all of this advantage go to the employer? Is not the worker entitled to be paid a like amount if he produces as much as his brother in other sections? I think so. If it costs less to live, it also costs the employer less to live in the South.

I am not at all sure, however, that the cost of living is less in the South, at least in the larger cities of the South. If you will examine the figures below, gathered in a survey of living costs in 59 cities throughout the country, you will see that in some cases costs are actually less in other sections.

Cost of living per year, 4-person manual worker's family, 59 cities, March 1935 [1]

Cities	Maintenance level	Emergency level
Average, 59 cities	$1,260.62	$903.27
Atlanta, Ga.	1,268.22	911.25
Binghamton, N. Y.	1,213.19	878.10
Bridgeport, Conn.	1,296.35	920.39
Buffalo, N. Y.	1,251.21	901.72
Cedar Rapids, Iowa [1]	1,186.18	849.35
Clarksburg, W. Va.[1]	1,190.02	852.87
Denver, Colo.	1,246.07	885.24
Fall River, Mass.	1,271.51	898.09
Indianapolis, Ind.	1,198.08	859.04
Kansas City, Mo.	1,245.42	899.85
Louisville, Ky.[1]	1,220.20	871.62
Manchester, N. H.	1,254.03	889.61
Oklahoma City, Okla.[1]	1,217.80	874.17
Omaha, Nebr.	1,258.26	908.71
Peoria, Ill.[1]	1,274.30	913.39
Philadelphia, Pa.	1,297.69	924.56
Portland, Maine	1,275.48	921.94
Portland, Oreg.	1,221.72	884.81
Providence, R. I.	1,245.26	885.17
Rochester, N. Y.	1,287.63	925.16
Salt Lake City, Utah [1]	1,243.07	890.84
Seattle, Wash.	1,233.35	886.58
Spokane, Wash.	1,228.62	894.02
Wichita, Kans.	1,131.30	809.64

[1] Includes sales tax where levied.

If our workers are less productive, I secured an amendment in the committee providing that in fixing wages the unit cost of production shall be considered. If this charge is correct, it means that the unit cost will be higher in the South. This same amendment will also require consideration of the higher costs claimed in our section due to less machinery or more obsolete machinery.

The bill also requires that consideration be given to workers who may be old or otherwise laboring under handicaps. If it is promptly administered, it cannot do injustice to any section.

IS THE SOUTH SATISFIED WITH PRESENT CONDITIONS?

Those who profit from the low incomes on the farms and among the industrial workers of the South may be satisfied, but those who know the facts and are not profiting therefrom are not content. Some of us would like to see our people lifted up to a point nearer an equality with other sections in purchasing power.

In a speech delivered before the Institute of Public Affairs of the University of Georgia last year David E. Lilienthal said:

The average spendable income per capita in 1935 in the 10 Southern States, according to the best available data, was $279. In Georgia in 1935 the average spendable income for each person in the State was $299, rising from as low as $155 in 1932. Now compare $299 with the national average in 1935 of $513, with $681 for New York State, $732 for California, $637 for Illinois, $515 for Ohio. Georgia, which ranks twentieth in area among the States and fourteenth in population, was fortieth in spendable income among the 48 States.

Again in the same address Mr. Lilienthal said:

In the 10 States which we usually refer to as the South—Georgia, Alabama, Tennessee, Florida, North and South Carolina, Virginia, Kentucky, Mississippi, and Louisiana—about 20 percent of the people of the Nation live. In these same States there is about 11 percent of the national purchasing power, measured by retail sales in 1929. With 20 percent of the population and 11 percent of the purchasing power, the South packs only 2 percent of the Nation's meat, it makes about 8 percent of the food products, only about 2 percent of the Nation's clothing, and only about 3 percent of its agricultural machinery. These figures give one something of an idea of the real opportunity there is for industrial growth in this region, simply by the process of the South's supplying a reasonable percentage of some of its own needs.

If, as those from my section who oppose any change, allege, we have superior climate and more natural advantages than have other sections, then something is wrong with the methods we have been using in the South. How can anyone be satisfied with the results we have secured?

FREIGHT RATES IN THE SOUTH

It is true that the South suffers from the fact that our Nation has no national system of charges for transportation. The system under which we operate penalizes the South and gives an advantage to the East. The class and commodify rates from the South average 39 percent higher than those from the East. But the average against Western Trunk Line, Southwestern and Mountain Pacific territories is even higher. I want to see these freight charges corrected, and have introduced legislation for that purpose. I believe that Representatives of other sections will join me in that effort and I further believe that the South can make a stronger case in that matter if we show a willingness to have fairly considered the wage and hour conditions existing in our section. This bill requires consideration of transportation charges.

AMENDMENTS

Mr. Chairman, when the bill is read for amendment, I expect to make an effort to secure certain changes which I believe will improve it.

I would like to strike from the bill section 8, which deals with purely intrastate operations. It was my observation that the effort under the N. R. A. to include purely local activities led to much difficulty and finally to invalidation by the Supreme Court.

I would also like to amend section 10 to provide that the bill could apply only in cases where upon complaint it was found that an employer, because of low wages, long hours, or both, was securing an advantage over competitors and was, therefore, engaged in unfair competition in interstate commerce. I do not believe that we have the constitutional authority to prescribe wages for the purpose of raising purchasing power, but I do believe that we can protect interstate commerce from unfair competition due to low wages and long hours—wages and hours that constitute chiseling.

I would also like to see section 14 stricken from the bill or at least modified. As it stands now it would be an expensive burden upon those to whom it applies. Business is already burdened with the cost of keeping records for State and national governmental agencies. The last provision of subsection A of this section should never have been placed in the bill.

I would also be glad to see the right of review placed in the district courts of the United States rather than in the circuit courts. The district courts are far more accessible to those to whom the law will apply and will afford adequate protection to the interests of the Government and its administrative officials.

SETTLE THIS MATTER NOW

Mr. Chairman, oponents of this legislation will make an effort to recommit the bill to the Labor Committee. They will say that the matter needs further consideration. They say we should have further hearings. By this method they hope to kill the proposal for all time. I would prefer to see final action now. Let us vote it up—or down—as our judgment dictates. Further delay cannot contribute anything to a proper solution of the problem.

If the bill is sent back to the Labor Committee, the employers of our country will remain in a state of uncertainty. They will not be able to plan ahead, they will be in doubt as to the costs of their operations. We could do nothing worse, in my opinion, at this particular moment.

Today we see the volume of business declining. We know that many factories are operating on short schedules. The owners tell us that they could do better if they knew what to expect of the future. Then they could plan with certainty. Let us tell them what to expect. Let them know whether or not we will have this legislation—now.

If we will do this and early in the next session give prompt attention to the matter of taxes, business can get over its fears. It will be relieved of its uncertainties and I feel sure we shall see a revival of commercial and industrial activity.

WHAT ABOUT THE FARMERS?

The opposition has charged that this bill will hurt the farmers, that it will increase the cost of what they buy. That may be true, but I doubt it. I have already shown that in the South we import much of what we need in the way of machinery, clothing, and food products. We are already paying to other sections the cost of wages much higher than the maximum which this legislation permits.

I would not take the chance of making less bearable the lot of the farmers of the South. They are already in desperate condition as to income.

In 1929, according to the Brookings Institution, in the 11 States of the South, the income of the farm population was below $200, the average for this group of States being $157. In that year the farmers of South Carolina had the lowest income, it being $126 per capita; Alabama was $138 and Georgia, $146. With such deplorable conditions existing in the boom year of 1929, I shudder to think what their situation was in 1932.

I believe that with increased purchasing power among the industrial and commercial workers of the South, our farmers will benefit.

MAKE THE BILL REASONABLE

It is my hope that the membership of the House will join those of us who feel that we can support only a reasonable bill, one that follows the suggestion of the President that we approach the ideals of better labor standards of gradual adjustments, one that makes allowances for the existing differences in various sections; a bill limited to that small minority of employers who deliberately engage in unfair competition at the expense of those who toil.

Under the authority given me by unanimous consent I append hereto excerpts from the testimony of the Honorable R. H. Jackson, Assistant Attorney General, the same being taken from his testimony delivered before the Senate and House Committees on Labor on June 2, 1937:

Different judicial theories of the commerce power which this bill invokes may be classified as follows:

1. There is the power directly to regulate or prohibit movement across State lines of goods deemed for any reason to offend against sound national policy. This power has been applied in many cases and denied in but one, the famous child labor case, to be discussed later. This bill invokes that power to regulate and prohibit by directly forbidding transportation of the products of the labor of children under 16 years of age, which ought not to be accepted in any fair market, and products made under conditions where workers are denied the right of self-organization by fear of labor spies and where their right to strike and to enforce collective bargaining is rendered ineffective by the use of professional strikebreakers. Such use of espionage and of professional strikebreakers is both a provocation of violence and an excuse for it, and offends against our national policy.

2. Congress has the power to regulate competition in interstate commerce. It has exercised this power without question since the adoption of the Sherman Antitrust Act in 1890 and again through the Clayton Act and the Federal Trade Commission Act. In the exercise of this power Congress has prohibited certain practices deemed injurious to competition in interstate commerce. It has prohibited many acts, in themselves local, by employers engaged in productive industry, but which tended to monopoly or to destroy competition. Under this power Congress has prohibited, under certain circumstances, the acquisition of the stock of one corporation by another. It has defined and prohibited unfair methods of competition. What, then, may be said of the employer who cuts wages, employs children, and sweats labor for the purpose of gaining a competitive advantage in marketing his product in an interstate market? As pointed out by Prof. Thomas Reed Powell, of the Harvard Law School, and by other students of constitutional law, since Congress has the power to regulate conditions of competition as it has done through the antitrust acts, it may likewise prohibit the securing of a competitive advantage in interstate commerce through the adoption of oppressive and sweatshop labor conditions.

It will be noted that part IV of this bill proceeds upon this theory and its provisions may be sustained, without overruling the child-labor case. The factual basis for this view is that by prohibiting the use of substandard labor conditions by those who compete with employers who use fair labor standards, the great majority of employers who really desire to treat labor fairly are thereby protected against the unfair methods of competition of those who utilize sweatshop methods to gain a competitive advantage.

And since Congress may regulate the conditions of competition in interstate commerce, it may protect the fair employer shipping in interstate commerce against the unfair competition of even his intrastate competitor under the doctrine of the *Shreveport Rate Cases* (234 U. S. 342), a case to which the Supreme Court had occasion to allude with approval in the recent Wagner Act decision.

3. The power to regulate commerce includes the power to eliminate labor conditions which lead to labor disputes which will directly burden or obstruct commerce. (*National Labor Relations Board* v. *Jones & Laughlin.*) This power is invoked in eliminating excessive hours, inadequate pay, and child labor insofar as they tend to provoke such labor disputes.

4. The power to regulate commerce is held to include the power to prohibit transportation of goods into States in violation of the laws of such States and making such intrastate goods subject to such State laws. This doctrine is supported by the decisions involving prison-made goods (Kentucky Whip & Collar case, January 4, 1937, and *Whitfield* v. *Ohio,* 299 U. S. 431). This bill invokes this constitutional power by prohibiting consignment of goods into a State if produced under conditions that would have been unlawful within that State.

5. The power to regulate commerce has been held to include power to eliminate a condition which affects the movement of goods, the price of goods, or which causes undue price fluctuations in interstate commerce. This doctrine is set forth in the cases relating to the regulations of stockyards and grain exchanges (*Olsen Case,* 262 U. S. 1; *Stafford Case,* 258 U. S. 495). This bill invokes this power by eliminating from interstate commerce goods produced by substandard labor conditions which affect interstate commerce in the manner stated.

6. The power to regulate interstate commerce has been held to include the power to regulate conduct intended to divert or substantially affect the movement of goods in interstate commerce. This is the doctrine of the *Coronado Coal Case* (268 U. S. 295). This bill invokes such power to regulate such substandard labor practices as are found to be the result of an intention to divert the movement of goods in interstate commerce.

* * * * * * *

As President Roosevelt has stated, "Even in the treatment of national problems there are geographical and industrial diversities which practical statesmanship cannot wholly ignore." Portions of the bill relating to wages and hours would become operative as and when the Board created by the act orders their application. This bill does not plunge the Nation headlong into a rigid and widespread policy of regulating wages and hours. It permits the building up a body of experience and prevents the extension of regulation faster than capacity properly to administer is acquired. The investigations of the Board will also provide the evidence and the findings upon which the Government can rest its argument if the constitutionality of the act is assailed.

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STATE'S RIGHTS

In view of the frequent confusion on the subject it is due to those considering this bill to analyze the effect which it has upon the reserved powers of the States.

Let us assume each State as completely sovereign as a nation could be. No State would then have any right to send its goods into another State. Each State would have the right to stop all incoming goods at its border, to exclude any goods unfairly competing in its own market, or to lay a tariff on those admitted to equalize any advantage that the incoming goods had over its own producers. The exercise of this right by the Colonies threatened to disrupt commerce and to divide our people. The exercise by the several States of their own parochial and conflicting rules to protect their own markets was a powerful incentive to formation of our Government.

Each State therefore largely surrendered its sovereignty over incoming goods to the National Government. This was not intended to surrender the home market place to the under-cutting competitor States. The power was granted to the National Government that the rule of the market place should be fixed by a national policy for the common good.

A State may wish to meet advancing wealth of production with advancing standards of life for those who work in production. But if its own market place, as well as outside markets, are overrun with goods cheapened by child labor or sweated labor it has lost its power over its own working conditions. Is it confined then to appeals to its competitors for protection from such unfair competition? Its appeal is in law, as it is in common sense, to the Nation to which was given power to establish the rule by which goods should move among the States.

Mr. Justice Holmes, in his dissent in the child-labor case, demolished the whole argument that States' rights are impaired by such legislation as this, in the following language:

"The act does not meddle with anything belonging to the States. They may regulate their internal affairs and their domestic commerce as they like, but when they seek to send their products across the State line they are no longer within their rights. If there were no Constitution and no Congress their power to cross the line would depend upon their neighbors. Under the Constitution, such commerce belongs not to the States but to Congress to regulate. It may carry out its views of public policy, whatever indirect effect they may have upon the activities of the States. Instead of being encountered by a prohibitive tariff at her boundaries, the State encounters the public policy of the United States which it is for Congress to express. The public policy of the United States is shaped with a view to the benefit of the Nation as a whole."

Care has been taken to hold the pending bill to a good faith regulation of interstate commerce, and nothing more. Any State may use child labor or sweated labor for products of home consumption as much as it pleases so long as it does not divert or affect interstate commerce in so doing. The State may exploit youth in its internal affairs as far as its own conscience will permit, but it cannot dump its children into the Nation's markets to demoralize our national standards.

It has been suggested that the child-labor provisions should be embodied in separate legislation. It is not my function to advise as to policy, but we believe it would be more difficult to sustain separately than in company with the other substandard labor provisions.

All of the labor practices attacked by this bill are related. All are types of oppression utilized for the purpose of gaining unfair advantage in interstate commerce. One employer cuts wages, while another employs child labor, and still another employs sweatshop conditions, and all of these practices are a part of the vicious competition used in forcing down labor standards which it is appropriate to treat together in the regulation of interstate commerce. One of the constitutional bases of the pending bill is the principle announced in reference to the National Labor Relations Act, that prolific causes of strife which may have a serious effect upon interstate commerce may be prevented. It is obvious that this principle is applicable to wages, hours of employment, and the use of strikebreakers and spies, for those practices have been prolific causes of labor strife. It is not clear that child labor standing alone has been the cause of industrial strife, although it is clearly one of the elements of unfair labor competition.

One reason for the unfortunate decision of the Child Labor case was that the Court failed to perceive that the legislation was related to the regulation of interstate commerce but regarded it as merely a police regulation to accomplish a local social objective. The inclusion of child labor with the other prohibited practices in an undertaking to prohibit unfair interstate commerce and to foster American standards makes plain that the law in which it is included is a genuine exercise on a broad front of the power to regulate interstate commerce and gives the prohibition of child labor a strength that it would not have if standing alone.

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DUE PROCESS OF LAW

Even if the subject matter is within Federal power constitutional controversialists may claim that it violates the due process of law clause or illegally delegates congressional power.

Regulation of both wages and hours does not of itself violate due process, and is not necessarily "unreasonable, arbitrary, or capricious," where "there is reasonable relation to an object within the governmental authority (*Wilson* v. *New,* 243 U. S. 332; *Bunting* v. *Oregon,* 243 U. S. 426).

Standards for determination of fair wages and reasonable working hours contained in the present bill are drawn with fairness to the employer. The standards are based on the value of the service rendered and the reasonableness of the period of working time considering the nature of the employment. Furthermore, fairness to all parties concerned and reasonable treatment of special cases are assured by the provisions of the bill which require the Board to grant exemptions from the wage and hour regulations as the need appears.

It is hard to see how employers who wish to maintain decent labor standards, or those who wish to see a better level of purchasing power in the masses of the people, can feel aggrieved at the general purposes and effects of this bill. Advancement of those objectives, State by State, each exposed to the competition of States which tarry has been the foundation of the employers'

most legitimate objection to labor legislation. He is so far from being injured by this bill that it may be his chief protection against undermining of his market by methods which his own standards forbid.

Neither in its general scope nor in its special treatment of particular cases can the bill be pronounced arbitrary. For fair labor standards are required to be maintained only to the extent necessary in order to accomplish the interstate-commerce purposes of the legislation—purposes which fall clearly under the regulatory power of the Congress under the commerce clause.

Due process is defined in respect of both Federal and State legislation in *Nebbia* v. *New York* (291 U. S. 502, 525):

"The fifth amendment, in the field of Federal activity, and the fourteenth, as respects State action, do not prohibit governmental regulation for the public welfare. They merely condition the exertion of the admitted power by securing that the end shall be accomplished by methods consistent with due process. And the guaranty of due process, as has often been held, demands only that the law shall not be unreasonable, arbitrary, or capricious, and that the means selected shall have a real and substantial relation to the object sought to be attained. It results that a regulation valid for one sort of business may be invalid for another sort, or for the same business under other circumstances, because the reasonableness of each regulation depends upon the relevant facts."

If regulation may be dependent on "relevant facts" there can be no objection to delegating power to an administrative or quasi judicial board to investigate, hear evidence, and decide those facts.

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DELEGATION OF POWER UNDER THE PROPOSED FAIR LABOR STANDARDS ACT

Nearly every legislative proposal dealing with complex economic conditions involves problems of delegation. For such a legislative proposal must meet the charge that it entrusts arbitrary discretion to an administrative agency, or else it must resist the attack that it puts industrial enterprise into a strait jacket and imposes a rigid and inflexible rule without regard to industrial and geographical diversities. The proposed fair labor standards bill has at one and the same time been criticized on both of these grounds. The inconsistency of the attack suggests that the draftsmen of the bill have at least sought to achieve a fair and constitutional balance between the practical requirement of workable flexibility and the legal requirement of adequate standards.

The bill contemplates that the Congress should write into the statute some definite figures to be used as a guide by the administrative agency in establishing a floor below which wages shall not be cut and a ceiling beyond which hours should not be stretched. Let us assume, for the sake of an example, that the Congress fixes 40 cents an hour as the basic minimum nonoppressive wage and 40 hours a week as the basic maximum workweek. That would be $16 for a 40-hour week or $800 for a year of 50 weeks. It will scarcely be questioned that in most sections of the country a worker with $800 a year will have no more than is necessary to provide a minimum standard of living to maintain himself and his family. (It is also to be noted that the Board cannot fix even a minimum fair wage which yields an annual income in excess of $1,200. That means that the Board cannot fix a wage in excess of 60 cents an hour for a worker employed 50 weeks a year. A higher hourly week may be fixed in occupations which do not give the worker full employment, but such hourly rate can in no case be in excess of 80 cents. It is clear that the bill protects only poorly paid workers who are not in position to protect themselves.)

In the Washington Minimum Wage case (*West Coast Hotel Co.* v. *Parrish*, October term, 1936, decided March 29, 1937) the Supreme Court held that the cost of living was a sufficient standard for purposes of the fourteenth amendment, even though no approximate figure was inserted in the statute for the guidance of the administrative agency. Under the proposed bill not only is an approximate figure given to the administrative agency as a guide in fixing a minimum nonoppressive wage but that figure is not to be applied and may be revised downward, if the Board finds it necessary to avoid unreasonably curtailing the workers' opportunity for employment. The figure may be revised upward if the Board finds it possible without unreasonably curtailing the opportunities for employment, but not above what may fairly be regarded as a minimum standard of living necessary for health and efficiency; i. e., substantially the same standard as was approved in the Washington Minimum Wage case.

The situation is similar with regard to the number of hours which the Congress may write into the bill as the basic nonoppressive workweek. Under the proposed bill not only is an approximate figure given to the Board as a guide in establishing a nonoppressive maximum workweek, but the basic number of hours specified is not to be applied, and may be increased by the Board if the Board finds it necessary to avoid unreasonably curtailing the workers' earning power. The basic workweek may also be shortened by the Board if the Board finds it possible to do so without unreasonably curtailing the workers' earning power, but the Board may not so shorten the workweek beyond what it finds is required in the interest of the health, efficiency, and well-being of the workers. And in no event may a workweek be shortened below a fixed number of hours, say, 30 or 35, which it is contemplated shall be specified in the bill.

The minimum fair-wage standards and maximum workweek standards which the Board may apply to industries where the facilities for collective bargaining are not adequate or effective are defined in section 5. These standards are patterned upon the standards used in the New York minimum fair-wage statute. While a bare majority of the Supreme Court refused to enforce that statute in *Morehead* v. *New York ex rel. Tipaldo* (298 U. S. 587) on the ground that the Court was bound by its decision in *Adkins* v. *Children's Hospital* (261 U. S. 525), and on the further ground that the Court had not been asked to overrule the Adkins decision, the Chief Justice and three of his colleagues, dissenting, were of the opinion that the New York statute's "provisions for careful and deliberate procedure" made the New York statute constitutional, even though the cost-of-living statute involved in the Adkins case might be regarded as unconstitutional. And there can be no doubt that a majority of the Court, having expressly overruled the Adkins case in the Washington Minimum Wage case, would today view the more carefully drawn New York statute as constitutional. There can be no doubt that the opinion of the Chief Justice in the Morehead case may today be accepted as the law of the land.

The signposts to guide the Board in determining a nonoppressive minimum wage and nonoppressive maximum workweek, as well as a reasonable minimum wage and reasonable maximum workweek in any particular occupation, are much clearer and more distinct than those approved by the Court in the recent Washington Minimum Wage case. It is significant that the Court in that case attempted to draw no subtle distinction between the Adkins case, which dealt with a congressional enactment, and the Washington case, which dealt with a State statute, but expressly overruled the Adkins case.

A number of the provisions of the present bill give the Board power to make exemptions and qualifications necessary to make the act workable and effective. The purposes of these provisions are plainly stated, and the standards to govern their application are defined as definitely as the practical exigencies will allow. "The industries of this country," as Mr. Justice Cardozo has stated, "are too many and diverse to make it possible for Congress in respect of matters such as these, to legislate directly with adequate appreciation of varying conditions" (*Schechter Poultry Corporation* v. *United States*, 295 U. S. 495, 552).

Although the power to exempt, to except, or to qualify may not be left to the arbitrary discretion of the Board to exercise for purposes bearing no relation to legislatively defined policy, the Supreme Court has never nullified such administrative powers to relax the rigors of a rule of law when required to avoid injustice or unnecessary hardship. In invalidating the N. R. A. statute in the Schechter case, the Chief Justice was careful to point out that that statute did not "seek merely to endow * * * groups with privileges or immunities," but it involved "the coercive exercise of the law-making power" (*Schechter Poultry Corporation* v. *United States*, 295 U. S. 495, 529). Both kinds of standards are employed in the act and both kinds of standards find their counterparts and analogies in State as well as Federal labor legislation. But a distinction must be drawn between those standards in the proposed bill which empower the Board to implement the general rules fixed by the Congress and those standards which permit the Board to relax the generality of the rules fixed by the Congress. A broader and wider discretion may be delegated in applying exemptions and exceptions than in applying the primary rule in regulation to be enforced (*United States* v. *Shreveport Grain Co.*, 287 U. S. 77, 82, 85 (delegation of power to allow exemptions and tolerances under the Pure Food Act); *Intermountain Rate Cases*, 234 U. S. 476, 484, 486 (delegation of power to allow exceptions from long and short haul); *Chemical Foundation* v. *United States*, 272 U. S. 1, 12 (delegation of power to except from public sale requirement); *Heiner* v. *Diamond Alkali Co.*, 288 U. S. 502 (power to relax application of excess-profits tax); *Hampton* v. *United States*, 276 U. S. 394, 407 (delegation of power to make tariff provisions effective)).

It is important to remember that the Supreme Court very rarely finds fault with a congressional delegation of power. There is nothing in the recent decisions of the Court which would justify the Congress in casting aside a half century of legislative experience in providing for the administrative handling of modern complexities too numerous and diverse to be subjected to a single and inflexible rule directly imposed by the Congress. There is, it should be remembered, no case where congressional delegation of power has been adjudged invalid where the delegation has been made to a permanent governmental, administrative commission, independent of the executive branch of the Government. *Panama Refining Co.* v. *Ryan* (293 U. S. 388) involved delegation directly to the Executive; the Schechter case involved not only theoretical delegation to the Executive but practical delegation to substantially private code authorities. Insofar as the decision in *Carter* v. *Carter Coal Co.* (298 U. S. 238, 310–311) rested on the ground of faulty delegation, the vice lay in the delegation having been made not to an official or official body but "to private persons whose interests may be and often are adverse to the interests of others in the same business."

Indeed, congressional delegations of power to official administrative agencies have been held invalid in only two cases: The Panama Refining Co. case and the Schechter case. In the Panama Refining Co. case the subject of the statutory prohibition, the transportation in interstate commerce of petroleum produced in violation of State law, was defined, but the delegation was held to be improper because the range of administrative discretion was not only unlimited, but wholly undefined (*Panama Refining Co.*

v. *Ryan*, 293 U. S. 388, 415; *Schechter Poultry Corporation* v. *United States*, 295 U. S. 495, 530). In the Schechter case, on the other hand, the Court was not disturbed so much by the range of discretion granted with respect to any particular subject matter, as it was by the fact that it could find no "adequate definition of the subject to which the codes were addressed." As the Chief Justice stated: "Congress cannot delegate legislative power to the President to exercise an unfettered discretion to make whatever laws he thinks may be needed or advisable for the rehabilitation and expansion of trade and industry" (295 U. S. at 537–538). The National Industrial Recovery Act had authorized the President to approve codes of fair competition for trade and industry without attempting to limit or define the subject matter of the codes. As Mr. Justice Cardozo pointed out, such codes were not restricted, and were not (in the opinion of the Court) intended by the Congress to be restricted, to "the elimination of business practices that would be characterized by general acceptation as oppressive or unfair" (295 U. S. 552). There is as a matter of fact nothing in either the opinion of Chief Justice Hughes or of that of Mr. Justice Cardozo which suggests that, if the Congress had restricted the subject matter of the codes to the labor provisions of the National Recovery Act instead of merely requiring that codes drafted for other undefined purposes should comply with such labor provisions, the Court would have considered the labor standards, vague as they were, fatally defective.

It must, of course, be borne in mind that the courts have never required the same definiteness of a standard which is set forth for the guidance of an administrative agency and which cannot be enforced against the individual before it has been specifically implemented by the orders or regulations of the administrative agency, as the courts have required of a standard which operates directly upon the rights of the individual and to which the individual must conform at his peril. A standard too vague to support a self-operating provision enforced by criminal liability (*United States* v. *Cohen Grocery Co.*, 255 U. S. 81) may well state a policy and purpose sufficiently definite to serve as an appropriate standard for the guidance of administrative action (*Highland* v. *Russell Car & Snow Plow Co.*, 279 U. S. 253; *Continental Baking Co.* v. *Woodring*, 286 U. S. 352, 368).

The Panama Refining Co. case and the Schechter case never purported to question the authority of numerous earlier cases which sustained congressional delegations of power to administrative agencies under extremely vague and general standards for the sole reason that the Court was convinced that in light of the nature and complexity of the subject matter of the legislation the prescription of a more detailed standard would be difficult or impractical.

(Cases in which the use of general expressions as a standard has been upheld as proper in view of the nature and character of the specific statute or provision involved, are *Federal Radio Commission* v. *Nelson Bros. Bond & Mortgage Co.*, 289 U. S. 266, 385 (public convenience, interest, or necessity); *Avent* v. *United States*, 266 U. S. 127, and *United States* v. *Chemical Foundation*, 272 U. S. 1 (in the public interest); *Colorado* v. *United States*, 271 U. S. 153, 168, and *Chesapeake & Ohio Ry.* v. *United States*, 283 U. S. 35, 42 (certificates of public convenience and necessity); *Tagg Bros. & Moorhead* v. *United States*, 280 U. S. 420 (just and reasonable commissions); *Wayman* v. *Southard*, 10 Wheat. 1 (in their discretion deem expedient); *Buttfield* v. *Stranahan*, 192 U. S. 470 (purity, quality, and fitness for consumption); *Union Bridge Co.* v. *United States*, 204 U. S. 364; *Monongahela Bridge Co.* v. *United States*, 216 U. S. 177; *Hannibal Bridge Co.* v. *United States*, 221 U. S. 194; *Louisville Bridge Co.* v. *United States*, 242 U. S. 409 (unreasonable obstruction to navigation); *Mahler* v. *Eby*, 264 U. S. 32 (undesirable resident); *McKinley* v. *United States*, 249 U. S. 397 (war powers); *United States v. Grimaud*, 220 U. S. 506 (regulation of forest reserves).)

(The leading decisions reflect the importance of practical considerations and the necessity for delegation as a means of administering the law, in determining how definite a standard set by Congress for the guidance of an administrative agency must be. Beginning with *Wayman* v. *Southard* (10 Wheat. 1), the Supreme Court, speaking through Chief Justice Marshall, adverted (pp. 34–35, 46–47) to the need for flexibility in conforming the Federal practice to the judicial systems of the States in a statute delegating to the Federal judiciary power to alter the rules relating to process as the courts "in their discretion deem expedient" (p. 39). The statute upheld in *Field* v. *Clark* (143 U. S. 649) permitted the President to impose reciprocal duties on goods imported from countries which discriminated against American products, a function which could best be exercised by a governmental agency capable of prompt action after forming a judgment based upon changing conditions. The law sustained in *Buttfield* v. *Stranahan* (192 U. S. 470) authorized the Secretary of the Treasury to fix standards of purity, quality, and fitness for consumption with which imported tea must comply. The Court declared: "Congress legislated on the subject as far as was reasonably practicable, and from the necessities of the case was compelled to leave to executive officials the duty of bringing about the result pointed out by the statute. To deny the power of Congress to delegate such a duty would, in effect, amount but to declaring that the plenary power vested in Congress to regulate foreign commerce could not be efficaciously exerted" (192 U. S. at 496).

(In upholding the statute authorizing the Secretary of War to determine whether a bridge was an "unreasonable obstruction" to navigation, the Court in *Union Bridge Co.* v. *United States* (204 U. S. 364, 386) emphasized the fact: "* * * investigations by Congress as to each particular bridge alleged to constitute an unreasonable obstruction to free navigation and direct legislation covering each case separately would be impracticable in view of the vast and varied interests which require national legislation from time to time." And the Court stated (204 U. S. at 387) that a denial of the rights of delegation "would be 'to stop the wheels of government' and bring about confusion, if not paralysis, in the conduct of the public business."

(Similarly, in *United States* v. *Grimaud* (220 U. S. 506), the impracticability of having Congress provide general regulations for each of the many different forest reservations was held to justify an authorization to the Secretary of Agriculture to "make such rules and regulations * * * as will insure the objects of such reservations." The Court said: "In the nature of things it was impracticable for Congress to provide general regulations for these various and varying details of management. Each reservation had its peculiar and special features * * *" (220 U. S. at 516).

(Again, in upholding the provision of the Interstate Commerce Act which authorizes the Interstate Commerce Commission to make rules in case of car shortage, the Court declared in *Avent* v. *United States* (266 U. S. 127, 130): "* * * the requirement that the rules shall be reasonable and in the interest of the public and of commerce fixes the only standard that is practicable or needed." (See also *Mutual Film Corporation* v. *Ohio Industrial Commission*, 236 U. S. 230, 245; *Mahler* v. *Eby*, 264 U. S. 32, 40; *United States* v. *Chemical Foundation*, 272 U. S. 1, 12.)

(The emphasis upon the practical need for the delegation is clear in *Hampton, Jr., & Co.* v. *United States* (276 U. S. 394). In upholding the Flexible Tariff Act, which authorized the President to adjust tariff rates so that they would correspond to the differences in costs of production here and abroad, the Court took into account the inability of Congress to make the necessary adjustments (276 U. S. 405), the need for readjustment because of ever-changing conditions (276 U. S. 406), and the uncertainty as to the time when the adjustments should be made (276 U. S. 407). By way of analogy, it referred to the fixing of just and reasonable rates by the Interstate Commerce Commission, stating that: "If Congress were to be required to fix every rate, it would be impossible to exercise the power at all" (276 U. S. 407). In view of these considerations, it was held sufficient for Congress to establish a general rule declaring an "intelligible principle": "In determining what it may do in seeking assistance from another branch, the extent and character of that assistance must be fixed according to common sense and the inherent necessities of the governmental coordination" (276 U. S. 406). Mr. Justice Sutherland in *United States* v. *Curtiss-Wright Corporation* (299 U. S. 304, 315), suggests that in the tariff cases involving foreign relation a broader discretion may be vested in the President than in matters relating solely to internal affairs, but the reasoning of the Court in the tariff cases there cited is based upon no such distinction.)

There is nothing in the adjudicated cases which suggests that the constitutional rule against the delegation of essential legislative powers is violated by a bill, like the proposed bill, which dealing with many and diverse industries not only defines the subject matter to which an administrative agency may address its discretionary powers, but clearly states the purposes for which the administrative discretion may be exercised. Unlike the statute in the Schechter case, the proposed bill carefully defines the subject matter to which the administrative agency may address itself. Unlike the statute in the Panama Refining Co. case, the bill does not omit to state the range of the administrative discretion vested in the Board, but clearly states the purposes for which it may be exercised.

The extent to which the Supreme Court has gone in sustaining a delegation of power to an administrative agency where the subject matter of the delegation is defined, and the purpose for which such power is to be exercised is indicated in most general terms, is strikingly illustrated in the case of *New York Central Securities Corporation* v. *United States* (287 U. S. 12), sustaining the validity of the consolidation provisions of the Transportation Act of 1920. In that case Chief Justice Hughes stated (287 U. S. at 24–25):

"Appellant insists that the delegation of authority to the Commission is invalid because the stated criterion is uncertain. That criterion is the 'public interest.' It is a mistaken assumption that this is a mere general reference to public welfare without any standard to guide determinations. The purpose of the act, the requirements it imposes, and the context of the provision in question show the contrary. * * * The provisions now before us were among the additional made by Transportation Act, 1920, and the term 'public interest' as thus used is not a concept without ascertainable criteria but has direct relation to adequacy of transportation service, to its essential conditions of economy and efficiency, and to appropriate provision and best use of transportation facilities, questions to which the Interstate Commerce Commission has constantly addressed itself in the exercise of the authority conferred. So far as constitutional delegation of authority is concerned, the question is not essentially different from that which is raised by provisions with respect to reasonableness of rates, to discrimination, and to the issue of certificates of public convenience and necessity (*Intermountain Rate Case*, 234 U. S. 476, 486; *Railroad Commission* v. *Southern Pacific Co.*, 264 U. S. 331, 343, 344; *Avent* v. *United States*, 266 U. S. 127, 130; *Colorado* v. *United States*, 271 U. S. 153, 163; *Chesapeake & Ohio Ry. Co.* v. *United States*, 283 U. S. 35, 42" (287 U. S. at 24–25)).

In *Panama Refining Co.* v. *Ryan* (293 U. S. 388), Chief Justice Hughes emphatically stated (293 U. S. 421):

"Undoubtedly legislation must often be adapted to complex conditions involving a host of details with which the National Legislature cannot deal directly. The Constitution has never been regarded as denying to the Congress the necessary resources of flexibility and practicality, which will enable it to perform its function in laying down policies and establishing standards, while leaving to selected instrumentalities the making of subordinate rules within prescribed limits and the determination of facts to which the policy as declared by the legislature is to apply. Without capacity to give authorizations of that sort we should have the anomaly of a legislative power which in many circumstances calling for its exertion would be but a futility."

The Chief Justice subsequently employed virtually the same language in *Schechter Poultry Corporation* v. *United States* (295 U. S. 495).

The proposed bill deals with difficult and complex industrial situations. A careful and deliberate procedure has been provided; orders of the board may be entered only after hearing. The draftsmen have been careful and painstaking to make the standards as definite and specific as the conditions with which they have had to deal permit, without imposing upon the diversities of American industry inflexible and unworkable rules provocative of serious industrial dislocations. These standards are well within constitutional limitations, assuming, of course, that constitutional limitations are to be construed to make a constitutional democracy workable and not to render it impotent.

Mr. WELCH. Mr. Chairman, I yield 4 minutes to the gentleman from Georgia [Mr. Cox].

Mr. COX. Mr. Chairman, the discussion of this measure on the part of most of its proponents proceeds in reckless disregard of every consideration except the possible political necessities of some people which can be accepted as no justification for the harm that will be done as a result of the adoption of the measure. If it is a mere face-saving device, as some declare, then it is a failure, as none but the simple can be misled by its claimed social purposes and the counterfeit political argument made in its support.

To say that it is in fulfillment of the Democratic Party platform pledge of 1936 is to say that the party of Jefferson, of Jackson, of Cleveland, and of Wilson committed itself to a violation and an outrage of every principle that that party has ever stood for and bound the Democratic Members of the Congress to a violation of their oaths of office to uphold and defend the Constitution. I deny that the Democratic Party has ever pledged itself to the destruction of States and to the regimentation of the people, as this bill would ultimately accomplish.

The party pledged itself to the enactment of wage-hour legislation in cooperation with the States and within the provisions of the Constitution, thereby recognizing the doctrine of State sovereignty and home rule, but here, through a tortuous and violent interpretation of the commerce clause, it is proposed that the general Government shall go its way all alone without regard to law, to reason, precedent, or principle, and shall spread out Federal power all the way from the cradle to the grave.

When the principle is once established that under the guise of regulating interstate commerce the Federal Government may also regulate purely local transactions that might remotely compete with interstate commerce, and the power of enforcement is placed in the hands of a bureaucrat here in Washington, we will have governmental regimentation with a vengeance, and the right of self-determination will be a thing of the past.

The adoption of this measure, Mr. Chairman, would send the marginal workers of this country to the bread lines. It would increase unemployment and it would drive this present recession of business into a major depression. [Applause.]

[Here the gavel fell.]

Mrs. NORTON. I yield the gentleman from New York [Mr. SIROVICH] 3 minutes.

Mr. WELCH. Mr. Chairman, I yield the gentleman from New York [Mr. SIROVICH] 8 additional minutes.

The CHAIRMAN. The gentleman from New York [Mr. SIROVICH] is recognized for 11 minutes.

Mr. SIROVICH. Mr. Chairman, the political and economic writers of our country may be classified into four groups: First, the reactionary, who seeks to undo the political and economic progress of the present, and looks to the cemeteries of the past, in order to find laws to enact that would serve the economic conditions of the day. Second, the conservative, who is opposed to social and economic changes, or innovations, and would conserve everything we have in order to serve the present only. He never looks to the past, nor to the future, but is interested in the present. Third, the liberal or progressive, who stands not only for stability and order in the conservation of existing institutions, but also stands for progress and reform, in order to enhance the social and economic conditions of the present, so that future generations may be the beneficiaries of our statutory enactments of today. Fourth, the radical, who advocates sweeping changes in laws and methods of government, with the least delay, especially changes deemed to tend to equalize or remedy evils arising from social conditions, by substituting for our American economic structure, the dictatorship of the proletariat, which would make all men and women the economic slaves of the State.

Mr. Chairman, everything that is produced in our country through agriculture and industry is the result of the labor of the beast of burden, the machine, and the human being. Whether we are reactionaries, conservatives, liberals, progressives, or radicals, whether we are in the habit of looking forward or backward, we must all admit that there is a tremendous difference between the labor of the beast of burden, between the labor of the machine, and the labor of human beings.

Let us analyze the wages of these three groups that I have just enumerated. What are the wages of the beast of burden today in our country? All that he receives from his master, whom he serves loyally and faithfully, is the oats, bran, hay, corn, and other food products necessary to keep him alive, besides the roof that shelters him from the ravages of the weather. In other words, all that the beast of burden receives as compensation is enough to live and to exist.

What is the wage that the modern machine receives for its compensation for producing day in and day out? The machine receives, as its wage for the services and labor that it renders, metaphorically speaking, the right to be well oiled, well cleaned, well housed, and better taken care of than the beast of burden in order that the ravages of weather may not disintegrate the highly mechanized machinery.

Now, what are the wages of human beings throughout the length and breadth of our country in agriculture and industry?

First, there is starvation wages which cannot keep body and soul together and is less than the beast of burden receives. Second, living wages which just barely keep body and soul together, and does not equal the food and shelter that the beast of burden receives. Third is the principle involving saving wages, whereby the modern workingman would be able to receive wages that would enable him to save in times of affluence and prosperity, for days of adversity and misfortune, which is the fundamental principle motivating our great President, Franklin Delano Roosevelt, and the New Deal, in order to give purchasing and consuming power, to the millions of underprivileged and undernourished Americans, who are crying and clamoring for a better day in this great and beloved Republic of ours. [Applause.]

Mr. Chairman, the purpose of this wage and hour bill, which we are now debating on the floor of the House, sponsored by the amiable and gracious chairman of the Labor Committee, our beloved colleague, MARY NORTON, is to provide for the establishment of fair labor standards in employment, affecting interstate commerce only, and for other purposes that would help to bring about in our industrial organizations in America, the principle of minimum wages, that would freeze a minimum salary, below which no human being has a right to be exploited and commercialized,

and would enable the toiler and worker to at least receive the wages that are comparable to that which the beast of burden or modern machine receives today.

Mr. Chairman, this minimum wage of 40 cents per hour would put unskilled labor, the worst-exploited workers in America, in every State of the Union upon a parity and would give to them a purchasing and consuming power which has been denied to them through the inhuman and unjust wages that they are today receiving. This bill would be instrumental in regulating the hours of unskilled labor, so that these inarticulate workers would not work more than 40 hours a week at a minimum salary of 40 cents an hour, which would enable them to earn a maximum of $16 a week, which amounts to $832 a year, if they work an entire year. This salary for 1 year's work paid the unskilled laborer is less than a Congressman receives for 1 month's services to his constituency. What Member of Congress on either side of this House would be satisfied to see his son or daughter earn a maximum salary of $16 per week for 40 hours of work, which is less than the wages of the labor of the beast of burden? [Applause.]

Mr. Chairman, if this human and constructive wage and hour bill is passed it would be instrumental in helping to reemploy millions of men and women engaged in work that is transported through interstate commerce.

The prosperity of our Nation rests upon four economic pillars: First, production; second, distribution; third, exchange; and fourth, consumption. So long as these four pillars stand erect they will support the superstructure of prosperity. The trouble in our country is that only one pillar stands erect, and that is the pillar of production. The other three have collapsed and with them has gone prosperity. Fifteen to thirty million people have no consuming or purchasing power through the salaries and wages they receive. That is the tragic indictment against the modern capitalistic system that the New Deal is trying to reconstruct.

I have always contended that labor is the producer of capital, and as such should be entitled to a fair share in the distribution of the wealth that it creates. If skilled and unskilled labor would receive their just reward for their toil and struggle in the quarries of human endeavor, prosperity would again return in our midst. [Applause.]

A few of our congressional colleagues from the northern sections of our country have pilloried, excoriated, and denounced the South and Middle West for exploiting and commercializing human labor by giving to its workers starvation wages. I shall not subscribe to these denunciations. If the South and Middle West have been guilty of these transgressions, it is because they have been the victims of an industrial North that is commercializing and exploiting the agricultural interests of the South, the Southwest, and the Middle West. Instead of denouncing the people of the South who are trying to earn a living for the millions that live in their midst, our great northern industrial States, that have been the beneficiaries of a protective tariff, that is exploiting and commercializing the South, should put the agricultural and farming interests of these sections upon a parity with industry. Mr. Chairman, if you want to eliminate southern competition against northern industry, place agriculture upon a parity with industry. The southern and midwestern farmers are forced to buy their industrial products in the protected markets of our country, and they are compelled to sell their exportable agricultural surpluses, such as corn, wheat, cotton, in a competitive world market, which has ruined them. By adding the tariff to the world market price of agricultural products, which is the difference between the labor costs of agricultural products in European countries and our own country, we would stabilize and fix prices upon wheat, which would be about $1.50 a bushel; corn, $1 a bushel; oats, 60 cents a bushel; cotton, 30 cents a pound; and hogs, about 14 cents a pound. Such a debenture or equalization tariff would bring justice to 40,000,000 farmers, the victims of a high tariff, that compels them to purchase their goods in the restricted markets of our country and to sell their agricultural products in the competitive markets of the world. If we had passed this kind of agricultural legislation, we would bring justice to 40,000,000 farmers, who would have a purchasing and consuming power to buy all of the industrial products of the East and help to solve the great problem of unemployment which is harassing and destroying the great industrial sections of our country. [Applause.]

Mr. Chairman, the greatest market for industry, for its products, are the farmers of our country. Let them have an earning capacity that will enable them to save upon the agricultural products that they sell to the industrial East, and you will have a purchasing power that will enable them to buy the products that industry produces.

Mr. Chairman, during my lifetime I have seen the hours of labor reduced from 72 hours a week to 66, to 54, to 48, and now to reemploy all the unemployed we must enact a 40-hour week that will enable every human being in our country that is desirous of being employed to realize his wish.

Two million children, all under the age of 16 years, are today working in mills, in mines, at looms, and in factories, taking the place of men and women throughout the length and breadth of our country. If this bill were enacted into law, as I know it will, it will be instrumental in taking these delicate bodies and innocent minds of these children to the temple of the schoolhouse, where they belong, there to be developed through the light of education, that they may have sound minds in healthy bodies.

Every minister, clergyman, and priest preaches the gospel of the brotherhood of man and the fatherhood of God, but in the brotherhood of man are not included the beast of burden, or the machine. The most efficient machine is not the brother of man, nor is the most obedient animal a member of man's family. Therefore, human labor should never be placed upon a parity with that of the animal or machine, and should be differently compensated.

If the great captains of industry and those who have been the beneficiaries of legislation that has enriched them and made them happy and prosperous, are desirous of bringing prosperity back to our Nation, they must forever distinguish between human labor, machine labor, and animal labor, and treat their fellow workers with humane ethical standards, which consists in not commercializing and exploiting their fellow man, but in giving to all of their workers 16 ounces of a fair and square deal to every pound of justice demanded. Such treatment will bring happiness and contentment into the hearts of our American workers and prosperity into the hearth, home, and fireside of all of the people of our Nation. [Applause.]

The CHAIRMAN. The time of the gentleman from New York has expired.

The gentlewoman from New Jersey has 9½ minutes remaining. The gentleman from California has 3 minutes remaining.

Mr. WELCH. Mr. Chairman, I yield the remaining time on this side to the chairman of the committee.

Mrs. NORTON. Mr. Chairman, I yield 3 minutes to the gentleman from Massachusetts [Mr. CONNERY].

Mr. CONNERY. Mr. Chairman and members of the Committee, there have been many references this afternoon to my late brother, Billy Connery. It is a great source of consolation to know the high regard in which he was held by the Members of this House. [Applause.] There have been references here today as to his possible position in connection with this bill were he with us today. I want to say to you that because of a conversation going into this entire matter with him just 2 weeks prior to his death, I can say definitely that there are many provisions in this bill which are not entirely in accord with Billy Connery's aims, and so I feel constrained, when the time comes to offer amendments, to ask the Members of this House, because of my loyalty to my brother, to vote with me to delete the name of "Connery" from this bill. This bill is no monument and will be no monument, I feel, to Billy Connery. It does not contain many of those features in which he was so intensely interested.

Mr. FISH. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. FISH. Is the gentleman for the American Federation of Labor bill?

Mr. CONNERY. I have a bill of my own, I will inform the gentleman from New York. It is H. R. 8437 and includes the features in which my late brother was interested.

Mr. MICHENER. Mr. Chairman, will the gentleman yield?

Mr. CONNERY. I yield.

Mr. MICHENER. I take it you would leave the bill named "the Black bill"?

Mr. CONNERY. If the House sees fit to take such course I have no objection to that, as long as the name "Connery" is not in there. [Applause.]

I want the distinguished gentlewoman from New Jersey, who is so ably carrying on the work of my late brother as chairman of the Committee on Labor, and each and every member of the Labor Committee to know how deeply appreciative I am of their desire and willingness to perpetuate and to honor the name and memory of William P. Connery, Jr., by inserting his name in the title of the pending legislation. I know that they were actuated by the highest motives, the principal one probably being a sincere admiration and affection for him.

But this action was taken by the Committee on Labor a short time after Billy's death and prior to the many drastic changes which now appear in the bill.

The bill now before the House does not contain the features or the principles which my brother, the late Billy Connery, advocated on this floor and in the Labor Committee.

While he represented an industrial district in Massachusetts, he was never selfish and, so I have been told by Representatives of even the farm States, always accorded other Members what help he could, realizing that the injury of any number of our people was an injury to all. Billy Connery, whom I served as secretary for the past 15 years, and whom I succeeded through a mandate of the voters that I carry on the work closest to his heart, fully realized that those he and I now represent could not secure profitable employment so long as manufacturers in other sections of our country or those located in foreign countries could deliver comparable or competitive goods in the American market places at a total cost which was substantially less than the costs of production of similar goods produced by the workers of our district.

Were Billy Connery here today he would fight for those features and principles which I will do my best to have the House incorporate in an honest wage and hour bill, namely:

First. A maximum workweek of 40 hours;

Second. A minimum wage of 40 cents per hour;

Third. No differentials; the maximum workweek and the minimum wages to be specifically set forth in the law by the Congress rather than to delegate to some unknown board or administrator that power which, to my mind, the Congress should never abrogate or delegate;

Fourth. The elimination of the products of child labor in the market; and

Fifth. The imposition of the same restrictions upon all products transported in interstate commerce when such products are comparable or competitive whether such products were produced by American workers or produced by foreign workers.

Hundreds of thousands of decent, self-respecting, God-fearing American workers are today unable to secure work due to the probability of our State Department entering into reciprocal-trade treaties with foreign nations, such as Czechoslovakia and Japan, in which nations it is common knowledge that the wages paid to workers are admittedly oppressively low.

The workers dependent for their employment on the shoe, leather, textile, and other industrial plants of my district realize fully the emptiness of legislation which permits some governmental agency, in the distant future, to declare a minimum wage of not more than 40 cents per hour while they stand helplessly by and see the product of workers of Japan, paid 5 cents per hour, or the products of the workers of Czechoslovakia, paid wages of 10 and 15 cents per hour, flood the only real market there is for American products, namely, the American market.

This bill contains features which my brother told me, 2 weeks before he died, he would vote against if the Labor Committee did not, as they have not, delete from the bill.

While the pending bill carries the label of wages and hours, I regret to say that such is a misnomer. This is not, in its present form, anything but an empty gesture to the millions of industrial workers who have been led to believe that the Congress would enact in a wage and hour bill legislation prohibiting the transportation in interstate commerce of all manufactured or processed goods the products of workers receiving a minimum wage of less than 40 cents per hour or those employed in excess of 40 hours per workweek.

The industrial workers will soon realize that this legislation does not provide such benefits at all. It does create an agency of the Government which promises, at some distant future, after detailed and exhaustive and wholly unnecessary time-killing investigations have been concluded, to issue orders which may provide a minimum wage and maximum workweek in industries, except some of those where it is common knowledge that possibly the greatest exploitation of labor in America has taken place.

You will find on page 23, paragraph (j), that those employed in canneries, in the ginning, compressing, storing of cotton, the processing of fruits and vegetables, or, those employed in cooperative dairies are specifically exempted from certain provisions of this bill.

Before the agency created, whether it be a board as advocated by some, or an administrator, as some now favor, can even consider the issuing of an order beneficial to those millions of industrial workers who are looking to the Congress for relief, they must, as shown on page 21, paragraph (e), take into consideration, among other relevant circumstances, the cost of living, local economic conditions, the reasonable value of the services rendered, differences in unit costs of manufacturing occasioned by varying local natural resources, operating conditions, or other factors entering into the costs of production.

There are others listed but time is short. The first item you will note is the cost of living. We are told that the costs of living to workers in certain sections of our country are lower or less than the costs of living of workers in other sections of our country. This is true, but, why?

The one and only reason is that the workers in certain sections of our country are forced to exist on a lower standard of living due entirely to the fact that they have had an income which does not allow the purchase of those necessities of life which the workers in other sections of our country have been able to secure because they have had a larger purchasing power through receiving higher wages for their work.

Capital has been able to secure lower labor costs, or, perhaps better said, to more profitably exploit the workers in some sections of our country than in others.

However, has anyone noticed the products of those workers having lower living standards, being sold in the market place at a lower price than is asked for and paid for the products of the higher paid workers?

Among other limitations in the pending bill I note on page 33, line 2, that the agency created to administer the legislation must take into consideration such other differentiating circumstances as it finds necessary. Again, on page 33, lines 10 and 11, the agency created is ordered—

> To avoid the adoption of any classification which effects an unreasonable discrimination against any person (employer?) or locality, or which adversely affects prevailing minimum wage or maximum workweek standards.

While this language may, by some, be said to be ambiguous, I have no hesitancy in predicting that if it remains in the legislation it will be construed to mean that the Government agency must not issue any order which calls for a minimum wage or a maximum workweek which the exploiters of labor will contend prevents them from continu-

ing the operation of their plants in the very places where sweatshop wages now prevail, and which, presumably, this bill seeks to eliminate.

Further, I note on page 31, lines 16, 17, and 18, that the agency created cannot issue any order which can be construed as permitting action in violation of any international obligation of the United States.

In other words, if and when our free-trade and peace-loving Secretary of State enters into a reciprocal-trade treaty with Czechoslovakia, Japan, or other low-wage-paying nations, and, through such treaty permits the flooding of the American market with the products of labor paid less than prevails any place in the United States, depriving hundreds of thousands of American workers of their employment opportunities, we are then helpless to assist those whom we supposedly are here to legislate for. We are helpless because we, representatives of the American people, have blindly abrogated our power to protect the employment opportunities of our American workers.

We made a mistake when we authorized the State Department to enter into treaties without the approval of the Congress. Today, many Congressmen are appealing, almost on bended knees, to the State Department not to use the power which the Congress voted without thought of the possibility that such authority would be used to the detriment of the American people.

Now, Mr. Chairman and Members of the Committee, like Billy Connery I am a firm believer in the principles of wage and hour legislation and like him I want to see this House write upon our statute books a real wage and hour bill that will be to the best interest of all the American people.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mrs. NORTON. Mr. Chairman, I yield to the gentleman from Connecticut [Mr. CITRON].

Mr. CITRON. Mr. Chairman and Members of the Committee, I have listened with a great deal of attention to the debates upon this bill. I have read the reports of both the House and the Senate committees and the joint hearings upon this important social legislation.

CRITICISMS AND STOCK ARGUMENTS

Some of the criticisms that have been leveled yesterday and today at this legislation are similar to some that I have noticed in letters that have come to me from certain of my constituents and are like the arguments I heard in by-gone days in the legislative halls in my State and which you no doubt also heard in the legislative halls of your State, against all kinds of labor, compensation and social legislation and proposals.

The stock arguments are: That the time is not ripe; let us think it over further; minimum wages will become maximum wages; it adds to the cost of production and is a burden upon industry. And have you not often heard the cry raised in State assemblies that such legislation is a burden to the manufacturers of the State, in competition with manufacturers of other States? I remember well how on many occasions the representatives of manufacturers' associations and others raised such a cry in my own State legislature and urged us to advocate this kind of legislation in Congress. In those days they wanted uniformity, national in scope. Today the same critics in my State and in your State talk about States' rights. They do not want legislation of this sort, and no matter what kind of a bill is drafted, what legislature passes it, or how it is to be enforced, opponents find their excuses.

Contrary to what some people may be informed, this subject is being thrashed out as well in this Congress as any legislation that has gone through the mills of a parliamentary assemblage. It is my belief that certain manufacturing interests in every State in the Union are definitely united with conservative interests and through the medium of the Republican Party are attempting to defeat this legislation. They do not want the committee's bill or any bill, because they do not want any wage and hour legislation. Since time immemorial, whether we look back into the pages of history in our own country or other countries, you will always find certain vested interests attempting to block progressive social measures with the help of some political organization. Today that political organization is the Republican Party.

SOME REGULATION IS NECESSARY

It is accepted today that some regulation of industry by the Government is desirable and inevitable to prevent unscrupulous exploitation. Speaking in Portland, Maine, on November 12, 1937, Prof. Melvin T. Copeland, of the Harvard Business School, and a prominent Republican, conceded this. It is admitted that wage and hour legislation, or legislation to aid the needy and oppressed and to prohibit exploitation of child labor, is necessary. This is what we are proposing to do and our great President, Franklin D. Roosevelt, in several messages, has urged this course.

Let us not permit minor arguments regarding enforcement and procedure to stray us from our course.

SWEATSHOPS

In Florala, Ala., the Riverside Underwear Corporation, with an office at 262 Broadway, New York, N. Y., paid workers from 2 or 3 cents up to 10 cents per hour on Government contracts, and except for the enforcement of the Public Contracts Division of the Department of Labor, nothing would have ever occurred to stop such exploitation of human beings. I mention this specific case because the same thing has occurred in my own State. It occurs in every State and if there are any State laws and enforcing agencies to meet such situations, the argument is thrown up by some in modern business that they are not intrastate any more but interstate in character, and that the States have no right to interfere with interstate commerce.

The bill before us should be named: A bill to abolish sweatshops and child labor. That is its objective and that is what it will accomplish. For years I have interested myself in such legislation; I have favored minimum wages for the oppressed, I have advocated the abolishment of sweatshops and child labor. Let us, today and tomorrow, in our action in this, the greatest parliamentary body in the world, produce a bill that will help the laboring classes of our country. And in doing this, we are helping all labor and all industry.

BUREAUCRACY

The gentlemen who are fighting this measure have tried to frighten us with cries of "Bureaucracy!"

They overlook the fact that this bill calls for the utilization of existing agencies of the Government. It economizes on personnel and services as none of the many substitutes would do. It uses the Department of Labor with its Children's Bureau for the child-labor regulation, and its Bureau of Labor Statistics for the investigations and research. It uses the Department of Justice for the litigation and prosecution in its enforcement. All of these agencies are old-line agencies with established procedures, trained personnel, and years of administrative and professional experience. This bill would integrate the new labor regulation with the established methods and departments of our Government.

Of course, there would be a need for some additional assistants. Any new undertaking would require that. There would be created the office of an administrator under the Department of Labor, and the administrator would utilize the assistance of representative committees. That would involve a minimum of personnel expansion—of the sort that is absolutely necessary. To make minimum-wage legislation effective, an additional staff of inspectors is indispensable. Under the Walsh-Healey administration, there is such a staff. It is a small staff, and yet through its efforts alone, at least 90 percent of all the violations of the Walsh-Healey Act have been discovered. These violations have not been reported by the workers, but have been found only through these inspectors. The various State minimum-wage boards have similar inspectors. This bill provides expressly for the use of all these officials, State as well as Federal, wherever possible. This bill entrusts its enforcement to regular, old-line departments of the Government and provides for the coordination of their employees and State employees under

a responsible Administrator within the Department of Labor. This is not bureaucratic expansion. It is the very opposite. It is the economic utilization of existing agencies for new tasks to meet the new needs of Government.

EFFECT OF SMALL-BUSINESS MAN

The gentleman from New Jersey [Mr. HARTLEY] said that this bill would not affect the large industrial establishments because they were already paying 40 cents an hour; but would be detrimental to the small-business man who could not pay that wage.

It has become a popular fad to cry, "Pity the poor small-business man," and to shed crocodile tears over the little fellow who is supposed to be helpless and oppressed. When the gentleman from New Jersey states that big business can pay 40 cents an hour and the small-business man cannot pay that low wage, he maligns the small-business man. He places an anathema of incompetence and inefficiency upon the small-business man. He overdoes his sob story and makes the abject creature for whom he pleads unworthy of his pity. I do not believe the small-business man cannot pay *decent* wages. Thousands of small businesses are economical, profitable, and as capable of paying common labor wage rates as high as those of any large corporate enterprise. In fact, many small businesses are noteworthy for their preservation of the rare human interest in workers that is so noticeably absent in many large corporate enterprises today. Where there are small-business men with sweatshops, they as well as their larger models ought to be compelled to raise their wages to a decent level; but it is a calumny upon the traditional American small-business man to say that he cannot pay decent wages and that this act will do him harm.

POWER TO PAY OVER 40 CENTS AN HOUR

Yesterday, in answer to my question, "Do I understand the assertion of the gentleman from Indiana is that under this bill labor is prohibited from getting more than $16 per week?"—the gentleman from Indiana replied, "By order of the board or the administrator," implying that labor will be prohibited under this bill from getting more than $16 per week.

This is such a glaring error that I do not believe he or any of you will, upon sober reflection, continue to share such a misconception of the proposed act. But lest some of you be carried away with the excitement of the discussion, let me point out the language of this bill in section 4, on page 22, line 16, and following:

> A committee's jurisdiction to recommend labor standards shall not include the power to recommend minimum wages in excess of 40 cents per hour or a maximum workweek of less than 40 hours, but higher minimum wages and a shorter maximum workweek fixed by collective bargaining or otherwise shall be encouraged. * * *

There can be no setting of a maximum wage, no compulsion against the payment of higher wages, no order even suggesting what the top wages should be. On the contrary, the bill provides for only a minimum wage wherever a minimum up to 40 cents an hour is needed to maintain decency in an industry and the bill expressly recognizes and directs its administrative agents to encourage the establishment of higher minimum wages by collective bargaining or otherwise.

WILL THE MINIMUM WAGE BECOME THE MAXIMUM WAGE?

Instead of guessing, let us look at the actual experience of the Government in the setting of minimum wages under the Walsh-Healey Act. The Government has set a minimum wage of 37½ cents an hour in the cotton garment and allied industries covering work pants, shirts, overalls, windbreakers, lumber jackets, and other work coats, another minimum wage of 35 cents an hour in the hosiery industry, another minimum of 67½ cents an hour in the hat and cap industry. These minimum wages and others have been in effect now for a number of months with respect to a great many contracts. In not a single instance has the minimum wage become the maximum wage. The Division of Public Contracts of the Department of Labor has made inspections of the payrolls in a large number of these factories subject to these minimum wages. In all of the factories, without exception, there have been skilled and semiskilled and some unskilled workers receiving more than the minimum. These facts—not guesses, but actual experiences—show that the minimum wages do not become the maximum wages.

These experiences have been multiplied under State minimum-wage laws ever since the enactment of a $16 minimum wage law for the State of California in 1920. (See the publications of the U. S. Department of Labor, Women's Bureau, entitled "The Benefits of Minimum Wage Legislation for Women," pp. 4–7, and "Women in the United States," pp. 110–111; also "Special Study of Wages Paid to Women and Minors in Ohio," p. 56.)

EXTRACTS OF REPORTS

With your permission I quote and insert the following from pages 110 and 111 of a summary report on Women in the Economy of the United States of America, a 1937 Government document issued by the United States Department of Labor:

WAGES OF WOMEN ABOVE THE MINIMUM

Minimum-wage laws are designed specifically to raise wages at the very lowest levels, and it has been abundantly illustrated that they accomplish this. The experience also has been that the laws have tended to raise the wages of many who were receiving above the minimum, in spite of the fact that such laws are not especially designed to apply to these workers. Instances of this in a number of minimum-wage States may be shown.

California: The experience of California has been that the proportion of women receiving $17 and over has increased steadily from 1920, when the minimum of $16 was fixed, through 1929, with only a slight drop in 1930, and that in September 1931 such amounts were received by 58 percent of the women. Even in this depression period (1931) the following proportions received $20 or more:

Percent receiving $20 or more

Manufacturing	25.6
Laundry and dry cleaning	22.9
Mercantile	45.7

Massachusetts: In Massachusetts, where the minimum rates were fairly low, usually less than $14, and the orders were not mandatory, the increases in proportion receiving $17 or more were remarkable. These proportions follow:

	Percent with rates of $17 or more—		
	Before wage decree	At first inspection after decree	At inspection several years later
Druggists' preparations	(1)	19.5	31.4
Electrical equipment and supplies	12.0	24.6	26.8
Laundries	(1)	14.1	23.7
Retail stores	8.1	26.3	38.3

[1] Not reported.

North Dakota: Though without a large industrial population, North Dakota has had long experience with a minimum-wage law. A survey of that State made by the Women's Bureau of the United States Department of Labor in the depression year of 1931 found that almost two-thirds of the experienced women in a large sample were receiving more than the minimum rates fixed for the industries in which they were employed.

Laundry wages in four newer minimum-wage States: The fact has been referred to that several of the newer minimum-wage States fixed such wages first in the laundry industry. Their experience has been that after a minimum was established not only did larger proportions of women than before receive as much as this amount, but larger proportions than before earned more than this minimum. For example, 30 cents or more, an amount above the minimum, was received by the following proportions of women in the States specified:

	Percent receiving 30 cents or more—	
	Before minimum fixed	After minimum fixed
Illinois [1]	18.2	20.9
New Hampshire [2] (rates)	37.5	42.4
Ohio [3]	15.6	25.0

[1] Illinois, cit., p. 6.
[2] New Hampshire, cit., table 4.
[3] Women's Bureau Bul. 145, cit., p. 76. Figures are for 60 laundries reported for both periods.

A similar showing is made even if amounts considerably above the minimum are considered. These proportions of women received as much as $16 and as much as $15 in New Hampshire and New York, respectively:

	Percent receiving amount specified—	
	Before minimum fixed	After minimum fixed
Women in New Hampshire receiving as much as $16	3.5	13.9
Women in New York receiving as much as $15	9.1	21.7

SUMMARY OF THE EFFECTS OF MINIMUM-WAGE LAWS

The universal experience with minimum-wage legislation, wherever it has been introduced into the various States in this country, is that it has very materially raised the wages of large numbers of women, and that in some cases this effect has been most marked.

Far from reducing the wages of those receiving above the minimum, this type of law has resulted in raising the wages of many persons who previously had received more than the minimum fixed, and experience has shown that the minimum put in operation does not become the maximum.

In regard to women's employment, the usual experience has been that it continues to increase regardless of whether or not there is minimum-wage legislation, and in the State where the highest minimum was maintained over a long period of years women's employment increased considerably more than in the country as a whole. The constant changes in employment that are occurring are attributable to many factors not connected with the minimum wage, and there is no evidence that such legislation has any general or controlling effect toward inducing the replacement of women by men.

In the United States Department of Labor, Women's Bureau, March 1937, publication on Benefits of Minimum Wage Legislation for Women, we find the following, pages 4 to 7:

Minimum-wage laws have not caused the lowering of wages of women paid above the minimum, nor has the minimum become the maximum.

California: In this State the minimum wage has been $16 for most industries since 1920. The report of the California Industrial Relations Commission for 1932 (the latest data available) shows that the proportion of women receiving more than the minimum wage of $16 increased steadily from 1920 through 1930, and in September 1931 approximately 58 percent of the more than 88,000 women reported received $17 or more. In mercantile establishments 72 percent of the women received as much as this, and about 46 percent received $20 or more. In laundry and dry cleaning about 46 percent received $17 or more and 26 percent were paid at least $20. In manufacturing about 44 percent received $17 or more and 28 percent were paid $20 or more.

Illinois: After the laundry order had been in effect 1 month 20.9 percent of the women and minor workers in power laundries received 30 cents or more an hour as compared to 18.2 percent before the order. The legal minimum rates set were 23, 25, and 28 cents for various districts of the State. (The annual report of the Minimum Wage Division of Illinois, 1936.)

Massachusetts: In druggists' preparations from 1924 to 1929 the proportion of women receiving $18 or more (the minimum set by law in 1924 was $13.20) increased from 14.5 to 26.7 percent.

In laundries from 1923 to 1929 the proportion receiving $18 or more (the minimum set by law in 1922 was $13.50) increased from 9.8 to 17.1 percent.

In retail stores, from 1922–23 to 1926–28, the proportion of women receiving $17 or more (the minimum set by law in 1922 was $14) increased from 26.3 to 33.3 percent.

In office cleaning, from 1920 to 1927–28, the proportion of women receiving 45 cents or more (the minimum set by law in 1921 was 37 cents) increased from 4.6 to 11.8 percent. (Annual report, Massachusetts Department of Labor and Industries, year ending November 30, 1929, pp. 74, 75.)

New Hampshire: Before the wage order for the laundry industry was issued 37 percent of the women employed in 66 laundries received 30 cents or more an hour (the legal minimum wage set was 28 cents); after the order 42 percent of the women in 62 laundries earned more than that amount.

New York: In November 1935, 2 years after the minimum wage order for laundries was issued, 58 percent of the laundries in the State were paying more than half their women and minor employees wages higher than the established minimum rates. Forty-two percent of the employees under the order were being paid wages above the minimum prescribed, an indication that the minimum had not tended to become the maximum wage. (Memorandum to Gov. Herbert Lehman, of New York from Industrial Commissioner Elmer F. Andrews, December 30, 1936, p. 22.)

In an attempt to discover whether the wage rates of women who had been receiving more than the minimum were reduced after the wage order became effective in order to compensate for increased earnings among the lower-paid groups, a detailed study was made by the Division of Women in Industry and Minimum Wage of New York of the effect of the order on the earnings of 952 women for whom wage data were available both before and after the order was issued. It was found that 81 percent of these women had higher hourly earnings in November 1933, 1 month after the order, than in May 1933; 13 percent were earning the same amounts; and only 5 percent were earning less. The increases ranged as high as 22 cents per hour. In May only 89 of the 952 women had received wages which were higher than the minimum rates later established under the wage order, but of these 89 women, only 5 had had their rates reduced to the established minimum in November; 52 had higher hourly earnings in November than in May. (Factual Brief for Appellant in the New York Minimum Wage Case before the United States Supreme Court, John J. Bennett, attorney general of New York State, 1935, pp. 69, 70.)

North Dakota: A Women's Bureau survey in North Dakota in the fall of 1931 showed that almost two-thirds of the 1,000 experienced women included had a wage rate above the minimum. (The minimum rates varied for different industries, $14.50 being the highest.)

Ohio: In October 1935, after the wage order for the cleaning and dyeing industry had been in effect a year, 63.2 percent of 114 establishments, for which wage data were available both before and after the order, were paying one-half or more of their women employees more than the minimum rate of 35 cents an hour; and 78.1 percent of the women employed in the 114 establishments were receiving more than the minimum rate.

Before the wage order, in May 1933, only 20.2 percent of these 114 establishments paid one-half or more of their employees more than the minimum wage; and only 19.1 percent of the women employed in the 114 establishments received more than the minimum.

In 60 laundries in Ohio 40.7 percent of the women were earning more than the minimum rate of 27½ cents in April 1935, as compared to 23.3 percent in these identical laundries in May 1933, before the order went into effect. (U. S. Department of Labor, Women's Bureau Bulletin, No. 145, pp. 56, 57, 76.)

LET US NOT FAIL OUR PRESIDENT

Mr. Chairman, in the words of our President:

Our problem is to work out in practice those labor standards which will permit the maximum but prudent employment of our human resources to bring within the reach of the average man and woman a maximum of goods and service * * *.

We have passed legislation to help the home owner, the farmer, the banker, the depositor, the businessman, and industrialist. Let us also help the oppressed and downtrodden wage earners. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield 1 minute to the gentleman from Arkansas [Mr. TERRY].

Mr. TERRY. Mr. Chairman, although I believe in assisting unorganized labor to obtain higher wages and more reasonable hours than it is receiving in some sections, and I am also against child labor, still I do not feel that this is an opportune time to press passage of the bill now before us for discussion. The country is now suffering from a recession in business and we do not know what its duration will be, or the extent it will spread. Thousands of workers are now being put off the employment rolls and will be compelled to go on the relief rolls. In my opinion, the immediate effect of this legislation will be to put more and more unskilled workers on the relief rolls at a time when we should be straining every nerve and devoting whatever intelligence we may possess to reducing the relief rolls and to assisting business to stabilize itself.

In my section of the country hundreds of workers and their families are being maintained by the small industries that operate in the various localities—little industries that probably could not meet the requirements of better-established industries in regard to wage standards but which have been the means of furnishing the neighborhoods with a means of livelihood. In my opinion the small industries will be squeezed out in favor of the large and established industries of the larger centers of population.

Mr. Chairman, it is difficult to ascertain who is promoting the passage of this legislation at this time. The farm groups representing the agricultural sections are against it; and labor is against it. President William Green, of the American Federation of Labor, is bitterly opposed to it. The chairman of the Labor Committee is opposed to the bill which was withdrawn from the Rules Committee, and has stated that she intends to offer a substitute bill at the proper

time; and there are at least three other bills which their proponents intend to offer as substitutes. The House has not yet had an opportunity to see the bill which the Labor Committee intends to urge for passage. Why all this rush to pass this bill at the special session? I submit that the more reasonable and logical thing would be to send this bill back to the committee for further study along with the other bills that are being urged on the House.

Mr. Chairman, my State is largely agricultural, and its welfare and prosperity are largely affected and influenced by the price of agricultural products and the price that its farm population has to pay for manufactured products, and until there is more of a parity between the prices of farm products and the prices of manufactured products, my people cannot view with unconcern the mounting prices of industrial products, and we must all concede that the passage of this bill means higher prices for industrial goods.

Mr. Chairman, there is another thing about this bill that I do not like and which should concern all of the Members of this House who are in favor of assisting our great President in his laudable ambition to balance the Nation's Budget. This bill provides for the creation of another bureau here in Washington with ramifying branches reaching into every nook and cranny of the country. It will mean the hiring of thousands of additional Government employees, to be put on the Federal pay roll, whose salaries will constitute an ever-increasing burden on the shoulders of the citizens of our country who are compelled to obtain their living from the fruits of private industry.

Mr. Chairman, we should not add to this tax burden at this time. The people of the United States are looking to this Congress to sustain the President in balancing the Budget; and the creation of more and more bureaus and regulatory commissions with their myriad of expense and salaries is not a step in the right direction. [Applause.]

Mrs. NORTON. Mr. Chairman, I yield the balance of my time to the gentleman from Massachusetts [Mr. CASEY].

Mr. CASEY of Massachusetts. Mr. Chairman, I thank the gentlewoman from New Jersey for giving me the privilege of winding up this debate.

In the brief time allotted to me I can direct my remarks only to one phase of this bill and that is to its attempt to improve and standardize hours and wages. I embrace, with President Roosevelt, the theory that it is the responsibility of this Government to see to it that those employed get their due. Indeed, there is no other agency except the Government which can accomplish this desirable end. Private enterprise cannot accomplish it because those engaged in business have no power to bind the inevitable minority of chiselers within their own ranks.

Human nature is so constituted that there will always be men in private industry who are so greedy and so selfish that they will seize the opportunity to exploit human labor in order to grow unscrupulously rich. Competitors, who are not so base, find themselves forced reluctantly to do the same thing in order to survive this cutthroat competition.

Unfortunately, there exist in this country today certain sections which cater to unscrupulous industrialists. These sections have spokesmen who defend this practice by talking about natural advantages; such as climate, nearby raw materials, and a lower standard of living. If these arguments were real and sincere, I would have no quarrel with them. Every section of this country is entitled to prosper because of its natural advantages. No section is entitled to prosper because it is indifferent and callous to the feelings of human beings who labor.

Make no mistake about it, the only real advantage these sections offer is cheap labor. We can garnish it with all the sauce we wish but it sticks in our throats. It will not go down until we take it with no sauce at all. The plain simple fact is that sections in this country are offering to industry the unrestricted right to exploit human beings. Having this in mind, there is but one course to follow and our duty is plain.

Wherever a wage scale exists that does not permit a decent standard of living we should abolish it as we would slavery. In the past my section of the country has been just as guilty of exploiting labor as any other section. I can remember as a boy in the little town where I was born and still live, the great procession of men and women going to work in the darkness of morning and not returning until the darkness of night. Their plight was so miserable that they were in fact slaves. Gentlemen, I have heard it said that in pre-Civil War days when the question of slavery was being debated, a Southern statesman challenged a Massachusetts antislave spokesman to debate in Massachusetts the question of whether the textile slaves in the North were not worse off than the slaves in the South. The Southern statesman might have won that argument because at least the slaves in the South enjoyed the benefits of fresh air and sunshine while the textile slaves of the North knew nothing but darkness. While that situation existed in Massachusetts no other section of the country could attract her industries.

But gradually there came an awakening of conscience and a feeling of social responsibility. Massachusetts passed humane laws establishing maximum hours, minimum pay, abolishing child labor, and the employment of women during certain hours. When these things had been accomplished, my State became an easy prey to other sections that openly invited capital to come in and exploit labor.

Gentlemen, there is cutthroat competition among our States as well as among our businessmen. This condition should not exist in our enlightened and liberty-loving country. The wage and hour bill offers us an apportunity to abolish it. Let us embrace this opportunity and make the emancipation of the laborer in every section of this broad country an accomplished fact as well as a theory. [Applause.]

Mrs. NORTON. Mr. Chairman, I move that the Committee do now rise.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. MCCORMACK, Chairman of the Committee of the Whole House on the state of the Union, reported that the Committee, having had under consideration the bill S. 2475, the wage-hour bill, had come to no resolution thereon.

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—PUERTO RICO ORDINANCES

The SPEAKER laid before the House the following message from the President of the United States, which was read and, with accompanying papers, referred to the Committee on Insular Affairs:

To the Congress of the United States:

As required by section 38 of the act of Congress approved March 2, 1917, entitled "An act to provide a civil government for Puerto Rico, and for other purposes," I have the honor to transmit herewith certified copies of each of five ordinances adopted by the Public Service Commission of Puerto Rico. The ordinances are described in the accompanying letter from the Secretary of the Interior forwarding them to me.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *December 13, 1937.*

MESSAGE FROM THE PRESIDENT OF THE UNITED STATES—FIRST ANNUAL REPORT OF THE FEDERAL FIRE COUNCIL

The SPEAKER laid before the House the following further message from the President of the United States, which was read, and together with the accompanying papers, referred to the Committee on Public Buildings and Grounds.

To the Congress of the United States:

I transmit herewith for the information of the Congress the first annual report of the Federal Fire Council.

FRANKLIN D. ROOSEVELT.

THE WHITE HOUSE, *December 13, 1937.*

EXTENSION OF REMARKS

Mrs. NORTON. Mr. Speaker, I ask unanimous consent to insert at this point in the RECORD an amendment to be offered by me after the reading of the first section of the bill tomorrow.

The SPEAKER. The gentlewoman from New Jersey [Mrs. NORTON] asks unanimous consent to have incorporated at this point in the RECORD an amendment which she proposes to offer to the bill after the reading of the first section tomorrow. Is there objection?

Mr. SNELL. Mr. Speaker, reserving the right to object, I did not quite get the substance of the request.

The SPEAKER. The gentlewoman from New Jersey [Mrs. NORTON] asks unanimous consent to have incorporated in the RECORD at this point an amendment which she proposes to offer tomorrow after the reading of the first section of the bill. Is there objection?

Mr. MICHENER. Mr. Speaker, reserving the right to object, as I understood the lady today, she announced a new or clean bill would be introduced embodying the 159 amendments. I wonder if additional amendments have been concocted since the bill with its 159 amendments was sent to press this morning.

Mrs. NORTON. The gentleman misunderstood me. As a matter of fact, the difficulty with reference to not having a correct bill rose in the printing of the bill. There were two sections transposed and three amendments left out entirely. We were obliged to send the bill back to be reprinted. That is really what happened. It was not our fault but the fault of the Printing Office.

Mr. MICHENER. As I understand it, there are 159 amendments or more to be offered tomorrow. Now, are they or not included in this clean bill to be printed?

Mrs. NORTON. I may say to the gentleman nobody said there were 159 amendments; however, all of the amendments agreed to by the committee are to be included in this print. In other words, we merely wish to get the matter in concise form before the Committee of the Whole.

Mr. GRISWOLD. Mr. Speaker, reserving the right to object, will the amendments which the gentlewoman is now offering be available in the bill tomorrow morning?

Mrs. NORTON. Yes.

Mr. CURLEY. Mr. Speaker, reserving the right to object, may I ask the gentlewoman from New Jersey whether or not that will preclude me from offering an amendment to the bill which should be in it?

Mrs. NORTON. No.

The SPEAKER. Is there objection to the request of the gentlewoman from New Jersey?

There was no objection.

The amendment referred to follows:

Amendment proposed by Mrs. NORTON to S. 2475: Strike out the first paragraph and insert:

"That this act may be cited as the Black-Connery Fair Labor Standards Act of 1937.

"PART I—LEGISLATIVE DECLARATION; DEFINITIONS; WAGE AND HOUR DIVISION OF DEPARTMENT OF LABOR

"LEGISLATIVE DECLARATION

"SECTION 1. (a) The employment of workers under substandard labor conditions in occupations in interstate commerce, in the production of goods for interstate commerce, or otherwise directly affecting interstate commerce (1) causes interstate commerce and the channels and instrumentalities of interstate commerce to be used to spread and perpetuate among the workers of the several States conditions detrimental to the physical and economic health, efficiency, and well-being of such workers; (2) directly burdens interstate commerce and the free flow of goods in interstate commerce; (3) constitutes an unfair method of competition in interstate commerce; (4) leads to labor disputes directly burdening and obstructing interstate commerce and the free flow of goods in interstate commerce; and (5) directly interfere with the orderly and fair marketing of goods in interstate commerce.

"(b) The correction of such conditions directly affecting interstate commerce requires that the Congress exercise its legislative power to regulate commerce among the several States by prohibiting the shipment in interstate commerce of goods produced under substandard labor conditions and by providing for the elimination of substandard labor conditions in occupations in and directly affecting interstate commerce.

"DEFINITIONS

"SEC. 2. (a) As used in this act unless the context otherwise requires—

"(1) 'Person' includes an individual, partnership, association, corporation, business trust, receiver, trustee, trustee in bankruptcy, or liquidating or reorganizing agent.

"(2) 'Interstate commerce' means trade, commerce, transportation, transmission, or communication among the several States or from any State to any place outside thereof.

"(3) 'State' means any State of the United States or the District of Columbia or any Territory or possession of the United States.

"(4) 'Administrator' means the Administrator of the Wage and Hour Division created by section 3 of this act.

"(5) 'Occupation' means an occupation, industry, trade, or business, or branch thereof or class of work or craft therein in which persons are gainfully employed.

"(6) 'Employer' includes any person acting directly or indirectly in the interest of an employer in relation to an employee but shall not include the United States or any State or political subdivision thereof, or any labor organization (other than when acting as an employer), or anyone acting in the capacity of officer or agent of such labor organization.

"(7) 'Employee' includes any individual employed or suffered or permitted to work by an employer, but shall not include any person employed in a bona fide executive, administrative, professional, or local retailing capacity, or any person employed in the capacity of outside salesman (as such terms are defined and delimited by regulations of the Administrator) nor shall 'employee' include any person employed as a seaman; or any railroad employee subject to the provisions of the Hours of Service Act (U. S. C., title 45, ch. 3); or any employee with respect to whom the Interstate Commerce Commission has power to establish qualifications and maximum hours of service pursuant to the provisions of section 204 of the Motor Carrier Act, 1935 (U. S. C., 1934 ed., title 49, ch. 8): *Provided, however,* That the wage provisions of this act shall apply to employees of such carriers by motor vehicle; or any air-transport employee subject to the provisions of title II of the Railway Labor Act, approved April 10, 1936; or any person employed in the taking of fish, sea foods, or sponges; or any person employed in agriculture. As used in this act, the term 'agriculture' includes farming in all its branches and among other things includes the cultivation and tillage of the soil, dairying, forestry, horticulture, market gardening, and the cultivation and growing of fruits, vegetables, nuts, nursery products, ferns, flowers, bulbs, livestock, bees, and poultry, and further includes the definition contained in subdivision (g) of section 15 of the Agricultural Marketing Act approved June 15, 1929, as amended, or any other agricultural or horticultural commodity, and any practices performed by a farmer or on a farm as an incident to such farming operations, including delivery to market. Independent contractors and their employees engaged in transporting farm products from farm to market are not persons employed in agriculture.

"(8) 'Oppressive wage' means a wage lower than the applicable minimum wage declared by order of the Administrator under the provisions of section 4.

"(9) 'Oppressive workweek' means a workweek (or workday) longer than the applicable maximum workweek declared by order of the Administrator under the provisions of section 4.

"(10) 'Oppressive child labor' means a condition of employment under which (A) any employee (as defined in this act to exclude employees in agriculture) under the age of 16 years is employed by an employer (other than a parent or a person standing in place of a parent) in any occupation, or (B) any such employee between the ages of 16 and 18 years is employed by an employer (other than a parent or a person standing in place of a parent) in any occupation which the Chief of the Children's Bureau in the Department of Labor shall from time to time by order declare to be particularly hazardous for the employment of such children or detrimental to their health or well-being; but oppressive child labor shall not be deemed to exist by virtue of the employment in any occupation of any person with respect to whom the employer shall have on file a certificate issued and held pursuant to the regulation of the Chief of the Children's Bureau certifying that such person is above the oppressive child-labor age. The Chief of the Children's Bureau shall provide by regulation or by order that the employment of employees under the age of 16 years in any occupation shall not be deemed to constitute oppressive child labor if and to the extent that the Chief of the Children's Bureau determines that such employment is confined to periods which will not interfere with their schooling and to conditions which will not interfere with their health and well-being.

"(11) 'Substandard labor conditions' means a condition of employment under which (A) any employee is employed at an oppressive wage; or (B) any employee is employed for an oppressive workweek; or (C) oppressive child labor exists.

"(12) 'Fair labor standard' means a condition of employment under which (A) no employee is employed at an oppressive wage; or (B) no employee is employed for an oppressive workweek; or (C) no oppressive child labor exists.

"(13) 'Labor standard order' means an order of the administrator under section 4, 6, or 8 of this act.

"(14) 'Goods' means goods (including ships and marine equipment), wares, products, commodities, merchandise, or articles or subjects of commerce of any character, or any part or ingredient thereof, but shall not mean goods after their delivery into the

actual physical possession of the ultimate consumer thereof other than a producer, manufacturer, or processor thereof.

"(15) 'Unfair goods' means goods in the production of which employees have been employed in any occupation under any substandard labor condition, or any goods produced in whole or in part by convicts or prisoners except convicts or prisoners on parole or on probation, or inmates of Federal penal or correctional institutions producing goods for the use of the United States Government.

"(16) 'Fair goods' means goods in the production of which no employees have been employed in any occupation under any substandard labor condition.

"(17) 'Produced' means produced, manufactured, mined, handled, or in any other manner worked on; and for the purposes of this act an employee shall be deemed to have been engaged in the production of goods if such employee was employed in producing, manufacturing, mining, handling, transporting, or in any other manner working on such goods, or in any process or occupation necessary to the production thereof.

"(18) 'Sale' or 'sell' includes any sale, exchange, contract to sell, consignment for sale, shipment for sale, or other disposition.

"(19) 'To a substantial extent' means not casually, sporadically, or accidentally but as a settled or recurrent characteristic of the matter or occupation described, or of a portion thereof, which need not be a large or preponderant portion thereof.

"(20) The term 'person employed in agriculture' as used in this act, insofar as it shall refer to fresh fruits or vegetables, shall include persons employed within the area of production engaged in preparing, packing, or storing such fresh fruits or vegetables in their raw or natural state.

"(b) For the purposes of this act, proof that any employee was employed under any substandard labor condition in any factory, mill, workshop, mine, quarry, or other place of employment where goods were produced, within 90 days prior to the removal of such goods therefrom (but not earlier than 120 days after the enactment of this act), shall be prima facie evidence that such goods were produced by such employee employed under such substandard labor condition.

"(c) All wage-and-hour regulations under the provisions of this act shall apply to workers without regard to sex.

"ADMINISTRATIVE AGENCY

"SEC. 3. (a) There is hereby created in the Department of Labor a Wage and Hour Division which shall be under the direction of an Administrator, to be known as the Administrator of the Wage and Hour Division (hereinafter referred to as the Administrator). The Administrator shall be appointed by the President, by and with the advice and consent of the Senate, and shall receive a salary of $10,000 a year. The Administrator is authorized to administer all the provisions of this act except as otherwise specifically provided and his determinations and labor-standard orders shall not be subject to review by any other person or agency in the executive branch of the Government.

"(b) The Administrator and the Chief of the Children's Bureau, under plans developed with the consent and cooperation of the State agencies charged with the administration of State labor laws, may utilize the services of State and local agencies, officers, and employees administering such laws and notwithstanding any other provisions of law may reimburse such State and local agencies, officers, and employees for their services when performed for such purposes.

"(c) The Administrator may, subject to the civil-service laws, appoint such employees as he deems necessary to carry out the functions and duties of the Administrator and shall fix their salaries in accordance with the Classification Act of 1923, as amended. The Administrator may establish and utilize such regional, local, or other agencies, and utilize such voluntary and uncompensated services, as may from time to time be needed. In all litigation the Administrator shall be represented by the Attorney General or by such attorney or attorneys as he may designate. In the appointment, selection, classification, and promotion of officers and employees of the Administrator, no political test or qualification shall be permitted or given consideration, but all such appointments and promotions shall be given and made on the basis of merit and efficiency.

"(d) The principal office of the Administrator shall be in the District of Columbia, but he may exercise any or all of his powers in any other place.

"(e) The Administrator shall submit annually in January a report to the Congress covering the work of the Administrator for the preceding year and including such information, data, and recommendations for further legislation in connection with the matters covered by this act as he may find advisable.

"PART II—ESTABLISHMENT OF FAIR LABOR STANDARDS

"MINIMUM-WAGE AND MAXIMUM-HOUR STANDARDS

"SEC. 4. (a) Whereas wages paid in interstate industries vary greatly between industries and throughout the Nation, reaching as low as $5 or less per week; and

"Whereas hours of labor in interstate industries also vary greatly between industries and throughout the Nation, reaching as high as 84 hours per week; and

"Whereas such wide variations create unfair competition for employers who wish to pay decent wages and maintain decent working hours; and

"Whereas the workers who receive the lowest wages and work the longest hours have been and now are unable to obtain a living wage or decent working hours by individual or collective bargaining with their employers; and

"Whereas it is necessary for the development of American commerce and the protection of American workers and their families that substandard wages and hours be eliminated from interstate industry and business; but

"Whereas it is impossible to achieve such results arbitrarily by an abrupt change so drastic that it might do serious injury to American industry and American workers, and it is therefore necessary to achieve such results cautiously, carefully, and without disturbance and dislocation of business and industry: Now, therefore,

"It is declared to be the policy of this act to establish minimum-wage and maximum-hour standards, at levels consistent with health, efficiency, and general well-being of workers and the profitable operation of American business so far as and as rapidly as is economically feasible, and without interfering with, impeding, or diminishing in any way the right of employees to bargain collectively in order to obtain a wage in excess of the applicable minimum under this act or to obtain a shorter workday or workweek than the applicable maximum under this act.

"(b) Having regard to such policy and upon a finding that a substantial number of employees in any occupation are employed at wages and hours inconsistent with the minimum standard of living necessary for health, efficiency, and general well-being, the Administrator shall appoint a wage and hour committee to consider and recommend a minimum wage rate or a maximum workday and workweek, or both, as the case may be, for employees in such occupation which shall be as nearly adequate as is economically feasible to maintain such minimum standard of living: *Provided, however,* That no such committees shall be appointed with respect to occupations in which no employee receives less than 40 cents per hour or works more than 40 hours per week.

"(c) Such committee shall be composed of an equal number of persons representing the employers and the employees in such occupation, and of not more than three disinterested persons representing the public, one of whom shall be designated as chairman. Persons representing the employers and employees shall be selected so far as practicable from nominations submitted by employers and employees, or organizations thereof, having due regard to the geographic regions which may be concerned, in such occupation. Two-thirds of the members of such wage and hour committee shall constitute a quorum, and the recommendations of such committee shall require a vote of not less than a majority of all its members. Members of a wage and hour committee shall be entitled to reasonable compensation to be fixed by the Administrator for each day actually spent in the work of the committee in addition to their reasonable and necessary traveling and other expenses and shall be supplied with adequate stenographic, clerical, and other assistance.

"(d) The Administrator shall submit to such a committee promptly upon its appointment such data as the Administrator may have available on the matter referred to it, and shall cause to be brought before the wage and hour committee any witnesses whom the Administrator deems material. A wage and hour committee may summon other witnesses or call upon the Administrator to furnish additional information to aid in its deliberations.

"(e) In recommending a minimum wage, a committee shall consider among other relevant circumstances the following: (1) The cost of living; (2) the wages paid by employers in the occupation to be covered by the order establishing such minimum wage who voluntarily maintain reasonable minimum wage standards; (3) the wages established in similar occupations through collective labor agreements negotiated between employers and employees by representatives of their own choosing; (4) local economic conditions; (5) the relative cost of transporting goods from points of production to consuming markets; (6) the reasonable value of the services rendered; and (7) differences in unit costs of manufacturing occasioned by varying local natural resources, operating conditions, or other factors entering into the cost of production.

"(f) In recommending a maximum workday and a maximum workweek, a committee shall consider among other relevant circumstances the following: (1) The hours of employment observed by employers in the occupation to be covered by the order establishing such maximum workday and workweek, who voluntarily maintain a reasonable maximum workday and workweek; (2) the hours of employment established in similar occupations through collective labor agreements negotiated between employers and employees by representatives of their own choosing; and (3) the number of persons seeking employment in the occupation to be subject to the order establishing such maximum workday and workweek.

"(g) A committee's jurisdiction to recommend labor standards shall not include the power to recommend minimum wages in excess of 40 cents per hour or a maximum workweek of less than 40 hours, but higher minimum wages and a shorter maximum workweek fixed by collective bargaining or otherwise shall be encouraged; it being the objective of this act to raise the existing wages in the lower wage groups so as to attain as rapidly as practicable a minimum wage of 40 cents per hour without curtailing opportunities for employment and without disturbance and dislocation of business and industry, and a maximum workweek of 40 hours without curtailing earning power and without reducing production.

"(h) Unless the Administrator finds that the standards recommended by a wage and hour committee have been made without

due consideration of the factors enumerated in this section he shall set down for public hearing pursuant to section 10 a proposed order containing such standards together with such regulations and conditions as he may deem necessary and incidental thereto pursuant to sections 6 and 9. If, after such hearing, the Administrator finds that the proposed standards, so far as is economically feasible, are at levels consistent with the health, efficiency, and general well-being of workers, he shall so declare, and shall issue a labor-standard order applying such standards, regulations, and conditions to the occupation involved pursuant to the procedure hereinafter provided.

"(i) If the recommendations of a committee are not submitted in such time as the Administrator may prescribe as reasonable, the Administrator may appoint a new committee. If the Administrator before or after hearing rejects the recommendations of a wage and hour committee, either in whole or in part, he shall resubmit the matter to the same committee or to a new committee, whichever he deems proper.

"(j) The provisions of this act with respect to maximum workdays or maximum workweeks shall not apply to employees engaged in processing or packing perishable agricultural products during the harvesting season; or to any person employed in connection with the ginning, compressing, and storing of cotton or with the processing of cottonseed; the canning or other packing or packaging of fish, sea foods, sponges, or picking, canning, or processing of fruits, or vegetables, or the processing of beets, cane, and maple into sugar and sirup, when the services of such person are of a seasonal nature; or to employees employed in a plant located in dairy production areas in which milk, cream, or butterfat are received, processed, shipped, or manufactured if operated by a cooperative association as defined in section 15, as amended, or the Agricultural Marketing Act.

"COLLECTIVE-BARGAINING AGREEMENTS PROTECTED

"SEC. 5. (a) Nothing in this act or in any regulation or order thereunder shall be construed to interfere with, impede, or diminish in any way the right of employees to bargain collectively or otherwise to engage in any concerted activity allowed by law in order to obtain a wage in excess of the applicable minimum under this act or to obtain a shorter workweek than the maximum workweek under this act or otherwise to obtain benefits or advantages for employees not required by this act, and a minimum wage so sought or obtained shall not be construed or deemed to be illegal or unfair because it is in excess of the minimum wage under this act, and a maximum workweek so sought or obtained shall not be construed or deemed to be illegal or unfair because it is shorter than the maximum workweek under this act.

"(b) A labor-standard order establishing minimum wages or a maximum workweek for any occupation shall be made only if the Administrator finds that collective-bargaining agreements in respect to such minimum wages or maximum hours do not cover a substantial portion of the employees in such occupation, or that existing facilities for collective bargaining in such occupation are inadequate or ineffective to accomplish the purposes of this act.

"(c) A labor-standard order covering any occupation shall not establish for any locality in which such occupation is carried on a minimum wage which is lower or a maximum workweek which is longer than the minimum wage or maximum workweek prevailing for like work done under substantially like conditions in such occupation in such locality, unless the minimum wage established by such order in highest wage or the maximum workweek is the shortest workweek that the Administrator is authorized to establish under this act.

"(d) The minimum wages and maximum workweek established by collective-bargaining agreements in any occupation shall be prima facie evidence of the appropriate minimum wage and maximum workweek to be established by the Administrator for like work done under substantially like conditions.

"EXEMPTIONS FROM LABOR STANDARDS WITH RESPECT TO WAGES AND HOURS

"SEC. 6. (a) Unless an applicable order of the Administrator under this act shall otherwise provide, the maintenance among employees of an oppressive workweek shall not be deemed to constitute a substandard labor condition if the employees so employed receive additional compensation for such overtime employment at the rate of 1½ times the regular hourly wage rate at which such employees are employed. But the Administrator shall have power to make an order determining that such overtime employment in any occupation shall constitute a substandard labor condition if and to the extent the Administrator finds necessary or appropriate to prevent the circumvention of this act. Any such order may contain such terms and conditions relating to overtime employment, including the wage rates to be paid therefor and the maximum number of hours of employment in each day and the maximum number of days per week, as the Administrator shall consider necessary or appropriate in the occupation affected.

"(b) The Administrator shall provide by regulation or by order that the employment of employees in any occupation at a wage lower or for a workweek longer than the appropriate fair labor standard otherwise applicable to such occupation shall not be deemed to constitute a substandard labor condition if the Administrator finds that the special character or terms of the employment or the limited qualifications of the employees makes such employment justifiable and not inconsistent with the accomplishment of the purposes of such one or more provisions of this act. Such regulations or orders may provide for (1) the employment of learners, and of apprentices under special certificates as issued pursuant to regulations of the Department of Labor, at such wages lower than the applicable minimum wage and subject to such limitations as to time, number, proportion, and length of service as the Administrator shall prescribe; (2) the employment of persons whose earning capacity is impaired by age or physical or mental deficiency or injury, under special certificates to be issued by the Administrator, at such wages lower than the applicable wage and for such period as shall be fixed in such certificates; (3) deductions for board, lodging, and other facilities furnished by the employer if the nature of the work is such that the employer is obliged to furnish and the employee to accept such facilities; (4) overtime employment in periods of seasonal or peak activity or in maintenance, repair, or other emergency work and the wage rates to be paid for such overtime employment not exceeding the rate of time and one-half; and (5) suitable treatment of other cases or classes of cases which, because of the nature and character of the employment, justify special treatment.

"PART III—UNFAIR GOODS BARRED FROM INTERSTATE COMMERCE AND INTERSTATE COMMERCE PROTECTED FROM THE EFFECT OF SUBSTANDARD LABOR CONDITIONS

"PROHIBITED SHIPMENTS AND EMPLOYMENT CONDITIONS IN INTERSTATE COMMERCE AND PRODUCTION FOR INTERSTATE COMMERCE

"SEC. 7. It shall be unlawful for any person, directly or indirectly—

"(1) to transport or cause to be transported in interstate commerce, or to aid or assist in transporting, or obtaining transportation in interstate commerce for, or to ship or deliver or sell in interstate commerce, or to ship or deliver or sell with knowledge that shipment or delivery or sale thereof in interstate commerce is intended, any unfair goods; or

"(2) to employ under any substandard labor conditions any employee engaged in interstate commerce or in the production of goods intended for transportation or sale in violation of clause (1) of this section.

"PROTECTION OF INTERSTATE COMMERCE FROM EFFECT OF SUBSTANDARD LABOR CONDITIONS

"SEC. 8. (a) Whenever the Administrator shall determine that any substandard labor condition exists in the production of goods in one State and that such goods compete to a substantial extent in that State with other goods produced in another State and sold or transported in interstate commerce, in the production of which such substandard labor condition does not exist, the Administrator shall make an order requiring the elimination of such substandard labor condition and the maintenance of the appropriate fair labor standard in the production of goods which so compete.

"(b) It shall be unlawful for any person, directly or indirectly, to employ any employee in violation of any term or provision of an order of the Administrator made under this section.

"(c) The United States Tariff Commission upon request of the President, or upon resolution of either or both Houses of Congress, or if imports are substantial and increasing in ratio to domestic production and if in the judgment of the Commission there is good and sufficient reason therefor, then, upon its own motion or upon the request of the Administrator or upon application of any interested party, shall investigate the differences in the costs of production of any domestic article and of any like or similar foreign article resulting from the operation of this act, and shall recommend to the President such an increase (within the limits of section 336 of the Tariff Act of 1930) in the duty upon imports of the said foreign article, or such a limitation in the total quantity permitted entry, or entry without increase in duty, as it may find necessary to equalize the said differences in cost and to maintain the standards established pursuant to this act. In the case of an article on the free list in the Tariff Act of 1930, it shall recommend, if required for the purposes of this section, a limitation on the total quantity permitted entry. The President shall by proclamation approve and cause to be put into effect the recommendations of the Commission if, in his judgment, they are warranted by the facts ascertained in the Commission's investigation.

"(d) All provisions of title III, part II, of the Tariff Act of 1930, applicable with respect to investigations, reports, and proclamations under section 336 of the said Tariff Act, shall, insofar as they are not inconsistent with this section, be applicable with respect to investigations under this section Nothing in this section shall be construed as permitting action in violation of any international obligation of the United States. In recommending any limitation of the quantity permitted entry, or entry without an increase in duty, the Commission, if it finds it necessary to enforce such limitations or to carry out any of the provisions of this section, shall recommend that the foreign article concerned be forbidden entry except under license from the Secretary of the Treasury and that the quantity permitted entry, or entry without an increase in duty, shall be allocated among the different supplying countries on the basis of the proportion of imports from each country in a previous representative period. Any proclamation under this section may be modified or terminated by the President whenever he approves findings submitted to him by the Commission that conditions require the modification recommended by the Commission to carry out the purposes of this section, or that the conditions requiring the proclamation no longer exist.

"PART IV—GENERAL ADMINISTRATIVE PROVISIONS

"LABOR-STANDARD ORDERS

"SEC. 9. A labor-standard order—

"(1) shall be made only after a hearing held pursuant to section 10;

"(2) shall take effect upon the publication thereof in the Federal Register or at such date thereafter as may be provided in the order;

"(3) shall define the occupation or occupations, the territorial limits within which such order shall operate, and the class, craft, or industrial unit or units to which such order relates;

"(4) subject to the provisions of this act, may classify employers, employees, and employments within the occupation to which such order relates according to localities, the population of the communities in which such employment occurs, the number of employees employed, the nature and volume of the goods produced, and such other differentiating circumstances as the Administrator finds necessary or appropriate to accomplish the purposes of such order, and may make appropriate provision for different classes of employers, employees, or employment; but it shall be the policy of the Administrator to avoid the adoption of any classification which effects an unreasonable discrimination against any person or locality or which adversely affects prevailing minimum wage or maximum work-week standards and to avoid unnecessary or excessive classifications and to exercise his powers of classification only to the extent necessary or appropriate to accomplish the essential purposes of the act;

"(5) in case of an order relating to wages may contain such terms and conditions as the Administrator may consider necessary or appropriate to prevent the established minimum wage becoming the maximum wage; but it shall be the policy of the Administrator to establish such minimum-wage standards as will affect only those employees in need of legislative protection without interfering with the voluntary establishment of appropriate differentials and higher standards for other employees in the occupation to which such standards relate;

"(6) shall contain such terms and conditions (including the restriction or prohibition of industrial home work or of such other acts or practices) as the Administrator finds necessary to carry out the purposes of such order to prevent the circumvention or evasion thereof or to safeguard the fair labor standards therein established;

"(7) may modify, extend, or rescind at any time in the light of the circumstances then prevailing a labor-standard order previously made: *Provided*, That at least 90 days' notice from the date of the order must be given before any change is made effective if it increases wages or reduces hours.

"HEARINGS

"SEC. 10. A labor-standard order shall be made, modified, extended, or rescinded only after a hearing held pursuant to this section. Such hearing shall be held at such time and place as the Administrator shall prescribe on the Administrator's own motion or on the complaint of any labor organization or any person having a bona fide interest (as defined by the Administrator) filed in accordance with such regulations as the Administrator shall prescribe and showing reasonable cause why such hearing should be held. Such hearing shall be public and may be held before the Administrator or any officer or employee of the Wage and Hour Division designated by him. Appropriate records of such hearing shall be kept. The Administrator shall not be bound by any technical rules of evidence or procedure.

"INVESTIGATIONS; TESTIMONY

"SEC. 11. (a) The Administrator in his discretion may investigate and gather data regarding the wages, hours, and other conditions and practices of employment in any occupation subject to this act and may inspect such places and such records (and make such transcripts thereof) and investigate such facts, conditions, practices, or matters as he may deem necessary or appropriate to determine whether any person has violated or is about to violate any provision of this act or any labor-standard order, or to aid in the enforcement of the provisions of this act, in prescribing regulations thereunder, or in obtaining information to serve as a basis for recommending further legislation concerning the matters to which this act relates.

"(b) For the purpose of any investigation or any other proceeding under this act, a wage and hour committee, the Administrator, or any officer or employee of the Wage and Hour Division designated by him, is empowered to administer oaths and affirmations, subpena witnesses, compel their attendance, take evidence, and require the production of any books, papers, correspondence, or other records of any employer deemed relevant or material to the inquiry. Witnesses appearing before the Administrator or any officer or employee designated by him, in obedience to subpenas of the Administrator, shall be entitled to such fees and mileage as the Administrator may by rules and regulations prescribe.

"(c) In case of contumacy by, or refusal to obey a subpena issued to, any person, the Administrator, or the wage and hour committee, as the case may be, may invoke the aid of any court of the United States in the jurisdiction of which such investigation or proceeding is carried on, or where such person resides or carries on business, in requiring the attendance and testimony of witnesses and the production of books, papers, correspondence, and other records. Such court may issue an order requiring such person to appear before the wage and hour committee, or before the Administrator, or officer or employee designated by him, as the case may be, and to produce records, if so ordered, or to give testimony touching the matter under investigation or in question; and any failure to obey such order of the court may be punished by such court as a contempt thereof. All process in any such case may be served in the judicial district whereof such person is an inhabitant or wherever he may be found.

"(d) No person shall be excused from attending and testifying or from producing books, papers, correspondence, or other records and documents on the ground that the testimony or evidence, documentary or otherwise, required of him may tend to incriminate him or subject him to a penalty or forfeiture, but no individual shall be prosecuted or subject to any penalty or forfeiture for or on account of any transactions, matter, or thing concerning which he is compelled to testify or produce evidence, documentary or otherwise, after having claimed his privilege against self-incrimination, except that such individual so testifying shall not be exempt from prosecution and punishment for perjury committed in so testifying.

"ENFORCEMENT

"SEC. 12. Whenever it shall appear to the Administrator that any person is engaged or about to engage in any act or practice which constitutes or will constitute a violation of any provision of this act, or of any provision of any labor-standard order, he may in his discretion bring an action in the proper district court of the United States to enjoin such act or practice and to enforce compliance with this act or with such labor-standard order, and upon a proper showing a permanent or temporary injunction or decree or restraining order shall be granted without bond. The Administrator may transmit such evidence as may be available concerning such acts or practices to the Attorney General, who, in his discretion, may institute the appropriate criminal proceedings under this act.

"RECORDS; LABELS

"SEC. 13. (a) Every employer subject to any provision of this act or of a labor-standard order shall make, keep, and preserve such records of the persons employed by him; and the wages, hours, and other conditions and practices of employment maintained by him and shall preserve such records for such periods of time, and shall make such reports therefrom to the Administrator as the Administrator shall prescribe by regulation or order as necessary or appropriate for the enforcement of the provisions of this act or the regulations or orders thereunder. Every employer subject to a labor-standard order shall keep a copy of such order posted in a conspicuous place in every room in which employees in any occupation subject to such order are employed, and a schedule of hours of employment on a form published by the Administrator shall contain the maximum number of hours each employee is to be employed during each day of the week with the total hours per week, the hours of commencing and stopping work, and the beginning and end of periods allotted for meals. If more than one schedule of hours is in operation at a particular place of employment, the posted schedule shall contain the names of the employees working on the different shifts and shall indicate the hours required for each employee or group of employees. The presence of any employee at the place of employment at any other hours than those stated in the schedule applying to him shall be deemed prima facie evidence of violation of such order, unless such employee is receiving the overtime rate provided in section 6 (b). Employers shall be furnished copies of such orders and forms upon request without charge.

"(b) No person other than the producer shall be prosecuted for the transportation, shipment, delivery, or sale of unfair goods who has secured a representation in writing from the person by whom the goods transported, shipped, or delivered were produced, resident in the United States, to the effect that such goods were not produced in violation of any provision of this act. If such representation contains any false statement of a material fact, the person furnishing the same shall be amenable to prosecution and to the penalties provided for the violation of the provisions of this act.

"POWERS OF THE SECRETARY OF LABOR AND OF THE CHILDREN'S BUREAU

"SEC. 14. (a) So far as practicable, the Administrator shall utilize the Department of Labor for all the investigations and inspections necessary under section 11 (a). The Secretary of Labor shall have the powers enumerated therein in the conduct of such investigations and inspections and shall report the results thereof to the Administrator.

"(b) The Administrator shall utilize the Chief of the Children's Bureau in the Department of Labor, or any of his authorized representatives, for all investigations and inspections under section 11 with respect to the employment of minors and to bring all actions under section 12 to enjoin any act or practice which is unlawful by reason of the existence of oppressive child labor.

"REGULATIONS; ORDERS

"SEC. 15. The Administrator shall have authority from time to time, to make, issue, amend, and rescind such regulations and such orders as he may deem necessary or appropriate to carry out the provisions of this act, including but not limited to regulations defining technical and trade terms used in this act. Among other things, the Administrator shall have authority, for the purposes of this act, to provide for the form and manner in which complaints may be filed and proceedings instituted for the establishment

of fair labor standards; to prescribe the procedure to be followed at any hearing or other proceeding before the Administrator or any officer or employee designated by him, or wage and hour committee appointed by him. For the purpose of his regulations and orders, the Administrator may classify persons and matters within his jurisdiction and prescribe different requirements for different classes of persons or matters. The regulations and orders of the Administrator shall take effect upon the publication thereof in the Federal Register or at such later date as the Administrator shall direct. No provision of this act imposing any liability or disability shall apply to any act done or omitted in good faith in conformity with any regulation or order of the Administrator, notwithstanding that such regulation or order may, after such act or omission, be amended or rescinded or be determined by judicial or other authority to be invalid for any reason.

"VALIDITY OF CONTRACTS

"SEC. 16. (a) Any provision of any contract, agreement, or understanding made in violation of any provision of this act or of a regulation or order thereunder shall be null and void.

"(b) Any contract, agreement, understanding, condition, stipulation, or provision binding any person to waive compliance with any provision of this act or with any regulation or order thereunder shall be null and void.

"REPARATION; RELEASE OF GOODS

"SEC. 17. (a) If any employee is paid by his employer a wage lower than the applicable minimum wage required to be paid by any provision of this act or of a labor-standard order, or required to be paid to make it lawful under this act for goods in the production of which such employee was employed to be shipped in interstate commerce or to compete with goods shipped in interstate commerce, such employee shall be entitled to receive as reparation from his employer the full amount of such minimum wage less the amount actually paid to him by the employer. If any employee is employed for more hours per week or per day than the maximum workweek or workday required to be maintained by any provision of this act or of a labor-standard order, he shall be entitled to receive as reparation from his employer additional compensation for the time that he was employed in excess of such maximum workweek or workday at the rate of one and one-half times the agreed wage at which he was employed or the minimum wage, if any, for such time established by this act or by an applicable labor-standard order, whichever is higher, less the amount actually paid to him for such time by the employer.

"(b) Any employee entitled to reparation under this section may recover such reparation in a civil action, together with costs and such reasonable attorney's fees as may be allowed by the court. Any such claim for reparation shall not be the subject of any voluntary assignment, except to the Administrator as herein provided. At the request or with the consent of any employee entitled to such reparation, the Administrator or an authorized regional representative of the Administrator may take an assignment of any claim of such employee under this section in trust for the assigning employee and may bring any legal action necessary to collect such claim, and the employer shall be required to pay costs and such reasonable attorney's fees as may be allowed by the court. Employees entitled to reparations from the same employer may bring a joint action to recover such reparations or, if separate actions are brought, such employees or the employer shall have the right to have such actions consolidated for trial.

"(c) The Administrator shall, by order, exempt any goods from the operation of any provision of this act prohibiting the sale or transportation of such goods in interstate commerce if the Administrator finds that every person having a substantial proprietary interest (as defined by the Administrator) in such goods had no reason to believe that any substandard labor condition existed in the production of such goods or that such exemption is necessary to prevent undue hardship or economic waste and is not detrimental to the public interest. Any order of the Administrator under this subsection shall contain such terms and conditions as the Administrator considers necessary or appropriate in order to safeguard the enforcement and prevent the circumvention of this act. In the case of goods produced under any substandard labor condition relating to wages or hours of employment maintained by any employer having a substantial proprietary interest (as defined by the Administrator) in such goods, no such order shall be granted unless it is established to the satisfaction of the Administrator that adequate provision has been made for the payment, to every employee employed by him in the production of such goods under any such substandard labor condition, of the reparation to which such employee is entitled under this section on account of such employment.

"RELATION TO OTHER LAWS

"SEC. 18. No provision of this act or of any regulation or order thereunder shall justify noncompliance with any Federal or State law or municipal ordinance establishing a minimum wage higher than a minimum wage established under this act or a maximum workweek lower than a maximum workweek established under this act, or otherwise regulating the conditions of employment in any occupation and not in conflict with a provision of this act or a regulation or order thereunder.

"COMMON CARRIERS NOT LIABLE

"SEC. 19. No provision of this act shall impose any liability or penalty upon any common carrier for the transportation in interstate commerce in the regular course of its business of any goods not produced by such common carrier, and no provision of this act shall excuse any common carrier from its obligations to accept any goods for transportation.

"COURT REVIEW OF ORDERS

"SEC. 20. (a) Any person aggrieved by an order of the Administrator under this act may obtain a review of such order in the circuit court of appeals of the United States for any circuit wherein such person resides or has his principal place of business, or in the United States Court of Appeals for the District of Columbia by filing in such court, within 60 days after the entry of such order, a written petition praying that the order of the Administrator be modified or set aside in whole or in part. A copy of such petition shall forthwith be served upon the Administrator, and thereupon the Administrator shall certify and file in the court a transcript of the record upon which the order complained of was entered. Upon the filing of such transcript such court shall have exclusive jurisdiction to affirm, modify, or set aside such order in whole or in part. The review by the court shall be limited to questions of law, and findings of fact by the Administrator when supported by evidence shall be conclusive unless it shall appear that the findings of the Administrator are arbitrary or capricious. No objection to the order of the Administrator shall be considered by the court unless such objection shall have been urged before the Administrator or unless there were reasonable grounds for failure so to do. If application is made to the court for leave to adduce additional evidence, and it is shown to the satisfaction of the court that such additional evidence may materially affect the result of the proceeding and that there were reasonable grounds for failure to adduce such evidence in the proceeding before the Administrator, the court may order such additional evidence to be taken before the Administrator and to be adduced upon the hearing in such manner and upon such terms and conditions as to the court may seem proper. The Administrator may modify his findings as to the facts by reason of the additional evidence so taken, and he shall file with the court such modified or new findings, which if supported by evidence shall be conclusive, and his recommendation, if any, for the modifications or setting aside of the original order. The judgment and decree of the court shall be final, subject to review by the Supreme Court of the United States upon certiorari or certification as provided in sections 239 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 346 and 347).

"(b) The commencement of proceedings under subsection (a) shall not, unless specifically ordered by the court, operate as a stay of the Administrator's order. The court shall not grant any stay of a labor-standard order relating to wages or hours unless the person complaining of such order shall file in court an undertaking with a surety or sureties satisfactory to the court for the payment to the employees subject to the order of the reparation to which they would be entitled under section 17 in the event that the order should be upheld.

"JURISDICTION OF OFFENSES AND SUITS

"SEC. 21. The district courts of the United States shall have jurisdiction of violations of this act or the regulations or orders thereunder, and, concurrently with State and Territorial courts, of all suits in equity and actions at law brought to enforce any liability or duty created by, or to enjoin any violation of, this act or the regulations or orders thereunder. Any criminal proceeding may be brought in the district wherein any act or transaction constituting the violation or an element thereof occurred. Any suit or action to enforce any liability or duty created by, or to enjoin any violation of, this act, or regulations or orders thereunder, may be brought in any such district or in the district wherein the defendant is an inhabitant or transacts business, and process in such cases may be served in any district in which the defendant is an inhabitant or transacts business or wherever the defendant may be found. Judgments and decrees so rendered shall be subject to review as provided in sections 128 and 240 of the Judicial Code, as amended (U. S. C., title 28, secs. 225 and 347), and section 7, as amended, of the act entitled 'An act to establish a Court of Appeals for the District of Columbia,' approved February 9, 1893 (D. C. Code, title 18, sec. 26). No costs shall be assessed against the Administrator in any proceeding under this act brought by or against the Administrator in any court.

"PENALTIES

"SEC. 22. (a) Any person who willfully performs or aids or abets in the performance of any act declared to be unlawful by any provision of this act or who willfully fails or omits to perform any act, duty, or obligation required by this act to be performed by him shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than $500 or imprisoned for not more than 6 months, or both. Where the employment of an employee in violation of any provision of this act or of a labor-standard order is unlawful, each employee so employed in violation of such provision shall constitute a separate offense. No person shall be imprisoned under this subsection except for an offense committed after the conviction of such person for a prior violation of this subsection.

"(b) Any person who willfully makes any statement or entry in any application, report, or record filed or kept pursuant to the provisions of this act or any regulation or order thereunder, knowing such statement or entry to be false in any material respect

shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than $500 or imprisoned for not more than 6 months, or both.

"(c) Any employer who willfully discharges or in any other manner discriminates against any employee because such employee has filed any complaint or instituted or caused to be instituted any investigation or proceeding under or related to this act, or has testified or is about to testify in any such investigation or proceeding, or has served or is about to serve on an advisory committee, or because such employer believes that such employee has done or may do any of said acts, shall be guilty of a misdemeanor and, upon conviction, shall be fined not more than $1,000 or imprisoned for not more than 1 year, or both.

"(d) Any person who, without just cause, shall fail or refuse to attend and testify or to answer any lawful inquiry or to produce books, papers, correspondence, or other records, if in his or its power so to do, in obedience to a subpena issued pursuant to this act, shall be guilty of a misdemeanor and upon conviction shall be subject to a fine of not more than $500 or to imprisonment for not more than 6 months, or both.

"(e) No producer, manufacturer, or dealer shall ship or deliver for shipment in interstate commerce any goods produced in an establishment situated in the United States in or about which within 30 days prior to the removal of such goods therefrom any oppressive child labor has been employed: *Provided*, That a prosecution and conviction of a defendant for the shipment or delivery for shipment of any goods under the conditions herein prohibited shall be a bar to any further prosecution against the same defendant for shipments or deliveries for shipment of any such goods before the beginning of said prosecution.

"SEPARABILITY

"SEC. 23. If any provision of this act or of any regulation or order thereunder or the application of such provision to any person or circumstances shall be held invalid, the remainder of the act and the application of such provision of this act or of such regulation or order to persons or circumstances other than those as to which it is held invalid shall not be affected thereby. Without limiting the generality of the foregoing, if any provision of this act or any regulation or order thereunder shall be held invalid insofar as it gives any effect to any substandard labor condition or requires the maintenance of any fair labor standard on the part of any person or in any circumstances, the application of such provision of this act or of such regulation or order shall not be affected thereby insofar as it gives any effect to any other substandard labor condition or requires the maintenance of any other fair labor standard on the part of the same person or in the same circumstances, or insofar as it gives any effect to the same substandard labor condition or requires the maintenance of the same fair labor standard on the part of any other person or in any other circumstances.

"EFFECTIVE DATE OF ACT

"SEC. 24. This act shall take effect immediately, except that no provision requiring the maintenance of any fair labor standard or giving any effect to any substandard labor condition shall take effect until the one hundred and twentieth day after the enactment of this act, and no labor-standard order shall be effective prior to that day."

Mr. HEALEY. Mr. Speaker, I ask unanimous consent to extend the remarks I made today and include therein certain charts and data published by the Department of Labor.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

Mr. RAMSPECK. Mr. Speaker, I ask unanimous consent to extend the remarks I made in the Committee of the Whole this afternoon and include therein excerpts from the Supreme Court decision in the N. R. A. case, as well as excerpts from the testimony of Assistant Attorney General Jackson at the hearings on this bill.

The SPEAKER. Is there objection to the request of the gentleman from Georgia?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. FISH. Mr. Speaker, I ask unanimous consent to address the House for 30 seconds.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. FISH. Mr. Speaker, I desire to announce to the House that 218 Members have signed House Joint Resolution 199, discharging the Rules Committee from the further consideration of the resolution providing for consideration of the Ludlow amendment to the Constitution providing a referendum on war.

EXTENSION OF REMARKS

Mr. BARRY asked and was given permission to revise and extend his own remarks in the RECORD.

Mr. McFARLANE. Mr. Speaker, I ask unanimous consent to revise and extend my own remarks in the RECORD and include therein a letter from the Governor of Texas and my reply thereto.

The SPEAKER. Is there objection to the request of the gentleman from Texas?

There was no objection.

Mr. CITRON. Mr. Speaker I ask unanimous consent to extend my remarks in the RECORD and include therein certain tables of the Department of Labor.

The SPEAKER. Is there objection to the request of the gentleman from Connecticut?

There was no objection.

Mr. ELLENBOGEN and Mr. KENNEY asked and were given permission to extend their own remarks in the RECORD.

Mr. TRANSUE. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and to include therein a poem dedicated to world peace, by Thomas H. Howard, a constituent in my district.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

Mr. WOOD. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. WOOD. Have all Members been granted the right to extend their own remarks on the pending wage and hour bill?

The SPEAKER. Permission has already been granted to all Members to extend their remarks on the pending bill. The Chair is of the opinion, however, that if Members desire to incorporate in their remarks extraneous or additional matter, special permission will have to be obtained.

Mr. WOOD. Is this permission for 5 days or for the rest of the session?

The SPEAKER. Five legislative days after the conclusion of the consideration of the bill.

PERMISSION TO ADDRESS THE HOUSE

Mr. LUDLOW. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Indiana?

There was no objection.

Mr. LUDLOW. Mr. Speaker, I have just arrived in the Chamber. I understand the gentleman from New York has announced the completion of the signing of names to the discharge petition to bring before the House the resolution (H. J. Res. 199) which proposes to give the people of America the right to vote on participation in foreign wars.

I want to thank those who have signed the petition and to say to those who have not done so that under the operation of the rule I shall be in control of the time, and will be very just to all who desire to be heard in opposition to or in favor of the proposal. This opens a great peace discussion, which I believe will be very salutary for the country. [Applause.]

Mr. SUMNERS of Texas. Mr. Speaker, will the gentleman yield?

Mr. LUDLOW. I yield to the gentleman from Texas.

Mr. SUMNERS of Texas. Can the gentleman tell me how much time is allowed for discussion under the rule?

Mr. LUDLOW. I may say to the gentleman the petition has been filed so long I have almost forgotten the terms of the resolution, but I believe the rule provides for 6 hours of debate. May I say, however, I shall have no objection to a most liberal allowance of time, 8 hours or any further amount. This is a matter of the utmost importance dealing with a subject that is uppermost in all of our minds—war and how to keep out of it. There should be a wide latitude of discussion, so that all who desire to present views may have their opportunity.

Mr. SUMNERS of Texas. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SUMNERS of Texas. How much time is allowed for debate on a motion to discharge a committee from further consideration of a measure?

The SPEAKER. The Chair may state, in answer to the inquiry of the gentleman from Texas, that under the discharge rule only 20 minutes are allowed on the motion to discharge the Committee on Rules from the consideration of the resolution, one-half controlled by those in favor of and one-half those opposed to the motion to discharge the committee.

The Chair has before him the resolution pending before the Committee on Rules and observes that the resolution itself provides not to exceed 6 hours of general debate in the event the matter should be considered.

Mr. SIROVICH. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. SIROVICH. If the Ludlow resolution comes before the House and a vote is finally taken, is a two-thirds vote of the House required to pass the resolution?

The SPEAKER. Under the Constitution of the United States any proposal to amend the Constitution requires a two-thirds vote of the House of Representatives.

Mr. SIROVICH. Therefore, in order to pass the Ludlow resolution the House will have to pass it by a two-thirds vote?

The SPEAKER. Undoubtedly.

Mr. PATMAN. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. PATMAN. It is my understanding this resolution may come up on the second or fourth Monday of the month, providing 7 legislative days have elapsed before such second or fourth Monday. This being so, the resolution could not come up for consideration until the second Monday in January, in view of the fact that the fourth Monday in December will be the 27th.

The SPEAKER. The Chair may state to the gentleman the Chair has no calendar before him, but it is a matter of calculation. The Chair may say further the 7 days begin to run as of this date.

Mr. PATMAN. It is improbable we shall be in session on the 27th.

The SPEAKER. The Chair can make no statement as to that.

Mr. O'CONNOR of New York. Mr. Speaker, am I correct in understanding this discharge petition is aimed at the Committee on Rules?

The SPEAKER. The resolution seems to be aimed in that direction.

Mr. O'CONNOR of New York. Mr. Speaker, I ask unanimous consent to proceed for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. O'CONNOR of New York. Mr. Speaker, this is another example of the anomalous situation caused by the method of legislating by petition. There is a great deal of confusion about that in the minds of representatives of the press as well as Members of the House. The Committee on Rules was never intended to be included in any such discharge rule, because no bills are ever before the Committee on Rules. It is not a legislative committee. For instance, the committee has never heard of this matter. The bill has not been reported by the Committee on the Judiciary. How the Rules Committee can be discharged in any reasonable or parliamentary sense I cannot imagine.

Take the case of the wage and hour bill. That bill was pending on the calendar and would have been reached in the ordinary course of the business of the House. I do not know yet from what the Rules Committee was discharged; but as to this monstrosity, the present petition, this bill is still pending in the Committee on the Judiciary; it has never come before the Rules Committee, which has never heard or had any knowledge of it. How the Committee on Rules can be discharged from the consideration of such a bill I cannot divine. Nor can I conceive of any reason for the existence of such an anomalous parliamentary procedure.

Mr. SNELL and Mr. LUDLOW rose.

Mr. O'CONNOR of New York. I yield to the gentleman from New York.

Mr. SNELL. The gentleman has stated the parliamentary inquiry I was about to submit to the Speaker with respect to how they can discharge the Rules Committee from the consideration of this bill.

Mr. O'CONNOR of New York. Well, we are living in strange days of parliamentary procedure, I will admit.

Mr. LUDLOW. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. LUDLOW. I may say to the gentleman from New York that the rules of the House are elaborately set forth in the book of rules. This is one of the rules of the House and we are following a perfectly proper parliamentary procedure.

Mr. O'CONNOR of New York. Why did not the gentleman direct his petition against the recalcitrant committee which has his bill? [Laughter.]

Mr. SNELL. I do not understand how we can discharge the Rules Committee when the bill is before the Judiciary Committee and there is nothing pending before the Committee on Rules.

Mr. O'CONNOR of New York. It can be done because of a misconception of parliamentary procedure which was put into the discharge rule and which everybody agreed should have been yanked out of there years ago. There is just as much sense in this procedure as there was in the criticism of the Rules Committee for not reporting the wage and hour bill when it was already on the calendar awaiting disposition by the House.

Mr. SNELL. This is worse, because the bill was not before your committee.

Mr. O'CONNOR of New York. This is somewhat worse; yes.

Mr. SNELL. It is a great deal worse, because it would seem that you cannot discharge a committee from the consideration of something it has not before it.

Mr. ELLENBOGEN. Mr. Speaker, will the gentleman yield?

Mr. O'CONNOR of New York. I yield.

Mr. ELLENBOGEN. If the motion had been filed to discharge the Committee on the Judiciary, then the gentleman might have been compelled to obtain 218 signatures to another petition to discharge the Rules Committee.

Mr. O'CONNOR of New York. No; the bill would go on the calendar.

Mr. ELLENBOGEN. And be called up in another year or two.

Mr. O'CONNOR of New York. The gentleman is one of those impatient young men who wants everything done overnight.

ADJOURNMENT

Mrs. NORTON. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to.

Accordingly (at 4 o'clock and 42 minutes p. m.) the House adjourned until tomorrow, Wednesday, December 15, 1937, at 12 o'clock noon.

MOTION TO DISCHARGE COMMITTEE

APRIL 6, 1937.

To the Clerk of the House of Representatives:

Pursuant to clause 4 of rule XXVII, I, Hon. LOUIS LUDLOW, move to discharge the Committee on Rules from the consideration of the resolution (H. Res. 165) entitled "A resolution to make House Joint Resolution 199, a joint resolution proposing an amendment to the Constitution of the United

States to provide for a referendum on war, a special order of business," which was referred to said committee March 24, 1937, in support of which motion the undersigned Members of the House of Representatives affix their signatures, to wit:

1. Louis Ludlow.
2. Herman P. Kopplemann.
3. Hamilton Fish.
4. Henry C. Luckey.
5. Fred Biermann.
6. Knute Hill.
7. Thomas F. Ford.
8. Ed. Izac.
9. Harold Knutson.
10. James C. Oliver.
11. R. T. Buckler.
12. Martin F. Smith.
13. Benjamin Jarrett.
14. Clare E. Hoffman.
15. William A. Ashbrook.
16. Maury Maverick.
17. Matthew A. Dunn.
18. Wright Patman.
19. J. G. Polk.
20. Henry Voorhis.
21. John M. Coffee.
22. Brooks Fletcher.
23. Wilburn Cartwright.
24. Anthony Fleger.
25. Compton I. White.
26. Otha D. Wearin.
27. Martin L. Sweeney.
28. Finly H. Gray.
29. Henry G. Teigan.
30. Charles H. Leavy.
31. Paul J. Kvale.
32. W. D. McFarlane.
33. Virginia E. Jenckes.
34. William T. Schulte.
35. John M. Houston.
36. Usher L. Burdick.
37. H. P. Fulmer.
38. Franck R. Havenner.
39. Herbert S. Bigelow.
40. Thomas O'Malley.
41. B. J. Gehrmann.
42. William Lemke.
43. A. Leonard Allen.
44. John K. Griffith.
45. Matthew J. Merritt.
46. Edward W. Patterson.
47. Edward C. Eicher.
48. Gerald J. Boileau.
49. John T. Bernard.
50. Merlin Hull.
51. Raymond J. Cannon.
52. Robert Crosser.
53. Richard J. Welch.
54. Jerry J. O'Connell.
55. A. G. Rutherford.
56. Joe Hendricks.
57. Francis H. Case.
58. John R. Murdock.
59. W. H. Larrabee.
60. Harry Sauthoff.
61. Fred H. Hildebrandt.
62. Robert Allen.
63. James W. Mott.
64. W. S. Jacobsen.
65. John J. Delaney.
66. William P. Connery, Jr.
67. Samuel B. Pettengill.
68. Robert F. Rich.
69. John Steven McGroarty.
70. Glenn Griswold.
71. N. M. Mason.
72. Gardner R. Withrow.
73. Frank Crowther.
74. George J. Schneider.
75. Donald L. O'Toole.
76. Paul W. Shafer.
77. Michael J. Stack.
78. Thomas R. Amlie.
79. Warren G. Magnuson.
80. W. P. Lambertson.
81. Charles W. Tobey.
82. Caroline O'Day.
83. W. J. Fitzgerald.
84. Eugene B. Crowe.
85. Joseph E. Casey.
86. Vincent F. Harrington.
87. Nan Wood Honeyman.
88. Fred A. Hartley.
89. James A. Shanley.
90. Edward A. Kenney.
91. James F. O'Connor.
92. Arthur B. Jenks.
93. C. Arthur Anderson.
94. August H. Andresen.
95. Clifford R. Hope.
96. U. S. Guyer.
97. J. Will Taylor.
98. Arthur W. Aleshire.
99. George W. Johnson.
100. John F. Dockweiler.
101. Byron N. Scott.
102. Ben Cravens.
103. Joseph A. Gavagan.
104. Ralph O. Brewster.
105. Elmer J. Ryan.
106. Frank Carlson.
107. Charles A. Wolverton.
108. Michael J. Kirwan.
109. Edward H. Rees.
110. J. E. Rankin.
111. Edward L. O'Neill.
112. Don Gingery.
113. Leo E. Allen.
114. Ralph E. Church.
115. James McAndrews.
116. Harold G. Mosier.
117. Frank W. Towey, Jr.
118. James J. Lanzetta.
119. Frank W. Boykin.
120. Nat Patton.
121. James Wolfenden.
122. Charles R. Eckert.
123. Jed Johnson.
124. John J. Boylan.
125. Jennings Randolph.
126. William F. Allen.
127. Earl C. Michener.
128. John Luecke.
129. Elmer H. Wene.
130. Hugh M. Rigney.
131. D. Lane Powers.
132. Walter M. Pierce.
133. J. W. Robinson.
134. Frank C. Kniffin.
135. Henry Ellenbogen.
136. George N. Seger.
137. J. Roland Kinzer.
138. Alfred F. Beiter.
139. Lewis M. Long.
140. Sam C. Massingale.
141. Noble J. Gregory.
142. John McSweeney.
143. Lewis L. Boyer.
144. William H. Sutphin.
145. Ross A. Collins.
146. Fred L. Crawford.
147. Kent E. Keller.
148. Thomas A. Jenkins.
149. Harry P. Beam.
150. Morgan G. Sanders.
151. Karl Stefan.
152. James M. Mead.
153. R. S. McKeough.
154. Monrad C. Wallgren.
155. Everett M. Dirksen.
156. Dewey Short.
157. Frank E. Hook.
158. Abe Murdock.
159. C. L. Garrett.
160. Edward A. Kelly.
161. Aime J. Forand.
162. James H. Gildea.
163. George G. Sadowski.
164. A. J. Elliott.
165. Charles Kramer.
166. George B. Kelly.
167. Orville Zimmerman.
168. Charles N. Crosby.
169. J. Hardin Peterson.
170. Harry R. Sheppard.
171. R. T. Wood.
172. John M. Robsion.
173. Richard M. Simpson.
174. John M. O'Connell.
175. Geo. A. Dondero.
176. Will Rogers.
177. Lyndon Johnson.
178. William B. Barry.
179. J. G. Scrugham.
180. Fred Cummings.
181. Frank L. Kloeb.
182. J. B. Shannon.
183. Thomas C. Hennings.
184. W. R. Poage
185 Charles A. Plumley.
186. Guy J. Swope.
187. M. K. Reilly.
188. Albert Thomas.
189. William I. Sirovich.
190. John H. Tolan.
191. Emmet O'Neal.
192. J. Harold Flannery.
193. Mary T. Norton.
194. Arthur D. Healey.
195. Joseph Gray.
196. J. O. Fernandez.
197. James I. Farley.
198. John F. Hunter.
199. Martin Dies.
200. Donald H. McLean.
201. Francis D. Culkin.
202. Daniel A. Reed.
203. Bruce Barton.
204. Roy O. Woodruff.
205. C. C. Dowell.
206. Harry L. Haines.
207. Martin J. Kennedy.
208. L. Arends.
209. Eugene J. Keogh.
210. Lawrence E. Imhoff.
211. Andrew J. Transue.
212. J. W. Ditter.
213. Carroll Reece.
214. Albert E. Carter.
215. W. L. Nelson.
216. René L. DeRouen.
217. Charles R. Clason.
218. Dudley White.

This motion was entered upon the Journal, entered in the CONGRESSIONAL RECORD with signatures thereto, and referred to the Calendar of Motions to Discharge Committees, December 14, 1937.

COMMITTEE HEARINGS

COMMITTEE ON MERCHANT MARINE AND FISHERIES

The Merchant Marine and Fisheries Committee will hold a public hearing on H. R. 8532, to amend the Merchant Marine Act, 1936, to further promote the merchant marine policy therein declared, and for other purposes, in room 219, House Office Building, on Wednesday, December 15, 1937, at 10 a. m.

COMMITTEE ON IMMIGRATION AND NATURALIZATION

There will be a meeting of the Committee on Immigration and Naturalization in room 445, House Office Building, at 10:30 a. m., on Wednesday, December 15, 1937, for hearing on H. R. 8549, for public consideration of bill to deny United States citizenship to persons advocating government by dictatorship.

COMMITTEE ON THE JUDICIARY

There will be a hearing before the Committee on the Judiciary in room 346, House Office Building, Wednesday morning, December 15, 1937, at 10:30 a. m., on House Joint Resolution 199, proposing an amendment to the Constitution of the United States to provide a referendum on war.

The Special Bankruptcy Subcommittee of the Committee on the Judiciary will hold a public hearing on the Frazier-Lemke bill (S. 2215) to amend section 75 of the Bankruptcy Act, in the Judiciary Committee room at 346, House Office Building, on Friday, December 17, 1937, at 10 a. m.

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE

There will be a meeting of Mr. CROSSER's subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Thursday, December 16, 1937. Business to be consid-

ered: Hearing on House Joint Resolution 389, distribution and sale of motor vehicles.

There will be a meeting of Mr. MALONEY's subcommittee of the Committee on Interstate and Foreign Commerce at 10 a. m., Thursday, December 16, 1937. Business to be considered: Hearing on S. 1261, through-routes bill.

There will be a meeting of Mr. MARTIN's subcommittee of the Committee on Interstate and Foreign Commerce, at 10 a. m., Tuesday, January 4, 1938. Business to be considered: Hearing on sales-tax bills, H. R. 4722 and H. R. 4214.

There will be a meeting of the Committee on Interstate and Foreign Commerce at 10 a. m., Tuesday, January 11, 1938. Business to be considered: Hearing on S. 69, train-lengths bill.

EXECUTIVE COMMUNICATIONS, ETC.

Under clause 2 of rule XXIV, executive communications were taken from the Speaker's table and referred as follows:

890. A letter from the Secretary of Agriculture, transmitting a draft of legislation relative to appropriations for the year 1939 for Federal-aid highways, secondary or feeder roads, elimination of grade crossings, forest highways, roads, and trails, and public-land highways; to the Committee on Roads.

891. A letter from the Acting Secretary of the Navy, transmitting the bill (S. 2629) to authorize an exchange of lands between the city of San Diego, Calif., and the United States, with a proposed amendment thereto; to the Committee on Naval Affairs.

PUBLIC BILLS AND RESOLUTIONS

Under clause 3 of rule XXII, public bills and resolutions were introduced and severally referred as follows:

By Mr. JOHNSON of Minnesota: A bill (H. R. 8698) to promote efficiency, progress, peace, and fair competition in business and industry; to establish fair standards of wages, employment, and conditions and periods of employment; to reward compliance and penalize noncompliance with fair labor standards; to provide for maximum local autonomy in relations between employers and employees; and for other purposes; to the Committee on Labor.

By Mr. HARLAN: A bill (H. R. 8699) to prohibit the interstate transportation of goods, wares, and merchandise in certain cases; to the Committee on Labor.

By Mr. KING: A bill (H. R. 8700) relating to the retirement of the justices of the Supreme Court of the Territory of Hawaii, judges of the circuit courts of the Territory of Hawaii, and judges of the United States District Court for the Territory of Hawaii; to the Committee on the Judiciary.

By Mr. ROGERS of Oklahoma (by departmental request): A bill (H. R. 8701) relating to the tribal and individual affairs of the Osage Indians of Oklahoma; to the Committee on Indian Affairs.

By Mr. LAMNECK: A bill (H. R. 8702) to extend the act of December 17, 1919, granting gratuities to dependents of members of the Regular Army dying from wounds or disease to certain Air Corps Reserve Officers, United States Army; to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS

Under clause 1 of rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. BOEHNE: A bill (H. R. 8703) for the relief of Earle Embrey; to the Committee on Claims.

By Mr. DEMPSEY: A bill (H. R. 8704) for the relief of the estate of Lillie Liston; to the Committee on Claims.

Also, a bill (H. R. 8705) for the relief of Mr. and Mrs. B. W. Trent; to the Committee on Claims.

By Mr. EBERHARTER: A bill (H. R. 8706) for the relief of Robert John Williams; to the Committee on Military Affairs.

By Mr. LEWIS of Maryland: A bill (H. R. 8707) for the relief of Grace S. Taylor; to the Committee on Claims.

By Mr. POLK: A bill (H. R. 8708) granting a pension to Blanche Acton; to the Committee on Invalid Pensions.

By Mr. SCRUGHAM: A bill (H. R. 8709) to provide for the payment of war-risk insurance to the dependents of officers and enlisted men who lost their lives at the time the U. S. S. *Lakemoor* was torpedoed and sunk on April 11, 1918; to the Committee on Claims.

By Mr. SCOTT: A bill (H. R. 8710) granting a pension to Laura Murray; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

3605. By Mr. WELCH: Resolution passed by the City Council of Redding, Calif., requesting the work on the Shasta Dam; to the Committee on Irrigation and Reclamation.

3606. By the SPEAKER: Petition of the Mobile Chamber of Commerce, Mobile, Ala., petitioning consideration of their resolution with reference to labor, dated December 9, 1937; to the Committee on Labor.

3607. Also, petition of the United Federal Workers of America, petitioning consideration of House bill 8431; to the Committee on the Civil Service.

3608. By Mr. LUTHER A. JOHNSON: Petition of Hon. James V. Allred, Governor of Texas, and Hon. George H. Sheppard, comptroller of public accounts of Texas, favoring House bill 8045, authorizing the Post Office Department to cooperate with the States in the collection of State cigarette and tobacco taxes; to the Committee on the Post Office and Post Roads.

3609. By Mr. KEOGH: Petition of the Merchants' Association of New York, concerning the undistributed-profits tax; to the Committee on Ways and Means.

3610. By Mr. COLDEN: Petition of 134 residents of San Pedro, Calif., and vicinity, protesting the levying of any excise or processing tax on wheat; to the Committee on Ways and Means.

3611. Also, resolution adopted by the Board of Supervisors of Los Angeles County, Calif., December 7, 1937, urging upon the Banking and Currency Committees of the House and Senate, respectively, to report out for action at this special session the proposed amendments to the National Housing Act now before Congress; to the Committee on Banking and Currency.

3612. By Mr. SWOPE: Petition of D. A. Robinson and 25 other citizens of Dauphin County, Pa., protesting against the levying of any excise or processing taxes on primary food products; to the Committee on Ways and Means.

3613. By Mr. POLK: Petition of Mayor Joseph L. Kountz, Vice Mayor John M. Salladay, J. Frank Bickett, Charles F. Schirrman, Albert H. Weghorst, councilmen for the city of Portsmouth, and submitted by City Clerk Evangeline Justice, urging the President and the Congress of the United States to use their offices and efforts to speed financing and construction of the flood defenses for the city of Portsmouth, Scioto County, Ohio; to the Committee on Flood Control.

3614. By the SPEAKER: Memorial of the Attorney General enclosing copies of House joint memorials, Senate joint memorials, and House memorials, relating to Territorial legislation; to the Committee on the Territories.

SENATE

WEDNESDAY, DECEMBER 15, 1937

(Legislative day of Tuesday, November 16, 1937)

The Senate met at 12 o'clock meridian, on the expiration of the recess.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Tuesday, December 14, 1937, was dispensed with, and the Journal was approved.